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## NATIONAL MUNICIPAL REVIEW

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# THE LEAGUE'S BUSINESS

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**1935 Conference to be held in Providence.**—Providence, R. I., will be the scene of the forty-first annual conference on government of the National Municipal League, it has been decided by the executive committee. Dates are set as Monday and Tuesday, November 25 and 26. Officers and members of the League are especially urged by the executive committee to mark those dates on their calendars *now* for two reasons: (1) so that you yourself will not make any further conflicting engagement, (2) so that other organizations of which you may happen to be an officer or member do not select meeting dates which might conflict. The secretary conferred with local groups in Providence this week and plans are already under way to make this the most successful conference the League has ever staged. We are getting an early start this year and members who have suggestions for the program are asked to send them in promptly. Suggestions are, of course, most welcome. A number of constructive criticisms have been received from members regarding the last two annual meetings and others are solicited. If there are particular problems with which you are faced in your own locality that you would like to see discussed at Providence in November, please let the secretary know within the next month.

\* \* \*

**Best Wishes, Dr. Hatton.**—With deep regret we learn of the serious accident which befell Dr. A. R. Hatton a few months ago. Dr. Hatton is one of the League's vice-presidents and has been its counsellor and staunch friend for many years. He is now recovering at the Evanston Hospital, Evanston, Ill. We send him our heartiest good wishes for a speedy recovery and a quick return to the many duties and interests to which he has devoted himself in the cause of good government.

\* \* \*

**Dr. Dodds to Lecture at Yale.**—Our president, Dr. Dodds, has been scheduled to deliver the series of three Dodge lectures at New Haven, Conn., on April 29, May 6 and 13. These lectures are under the combined auspices of the New Haven Taxpayers, Inc., and the Department of Political Science at Yale University. The subject of the addresses will be local government.

Dr. Dodds also recently addressed the Rutgers Institute of Rural Economics at New Brunswick, N. J., on "Democracy and the Economic Crisis".

\* \* \*

**Miss Trull Resigns.**—Your secretary is very sorry indeed to announce the resignation of Miss Edna Trull as editor of "Recent Books Reviewed". Miss Trull has served in that capacity for the NATIONAL MUNICIPAL REVIEW since 1932. Her services have been deeply appreciated and we regret that other tasks have made it impossible for her to continue the good work.

\* \* \*

**You and Your Government Radio Programs.**—Addresses to be given during the coming month in Series X of YOU AND YOUR GOVERNMENT BROADCASTS, entitled "The 44 State Legislatures of 1935", are as follows:

**April 16**—"Tax Limitations." Professor Simeon E. Leland, University of Chicago.

**April 23**—"Social Insurance." Governor Philip F. LaFollette, Wisconsin.

**April 30**—"Overhauling Criminal Procedure." William Draper Lewis, Director, American Law Institute.

**May 7**—"The Model Tax Plan." T. V. Smith, State Senator, Illinois. James W. Martin, Research Director, The Interstate Commission on Conflicting Taxation.

**May 14**—"Better Tax Collections." Arnold Frye, Attorney, Hawkins, Delafield and Longfellow. Philip H. Cornick, Staff Member, Institute of Public Administration.

**May 21**—"Safety Regulations." John E. Long, President, National Safety Council.





## Citizens Must Organize

WHEREVER groups of citizens endeavor to improve government, the question arises again and again, "how can we not only maintain the gains we have made but continue progressively forward?" Grand Rapids, Mich., for instance, lost control of its city manager plan to a political machine some years ago, then staged a comeback in 1934 and elected a majority of candidates of the Better Government League to the city council. Thinking their job done, the members of the Better Government League went about their own business and only began to re-form their ranks a few weeks ago in an attempt to win again at the election on April 1.

Bangor, Maine, represents another phase of the same problem. Bangor adopted the city manager plan several years ago and has made a splendid record for efficient and economical administration ever since. The plan has succeeded so well, in fact, that its repeal is not an issue in Bangor. But, as in all other cities, there are those who aspire to power in Bangor for the purpose of using the government to serve their own ends. Necessarily such groups are organized and well organized. Query: what can the good citizens of Bangor do about it?

It is idle to think that good government can be protected by the spontaneous desire of each individual citizen acting alone. His desire for good government, while there, may conflict with a dozen other desires: his wish to play golf, for example, on a lovely spring day, his desire to keep dry by staying home from the polls on a stormy day, his desire to do a friend a favor by voting for him, his desire to be on the good side of those he thinks will win the election.

The only way that has been discovered to resolve such conflicts in favor of the public interest is through organization. Perhaps more important still, the only way that has been found to make the average citizen feel he has a part in local government is through organization. If he has a definite responsibility for selecting and electing candidates, if he has a definite job to do in connection with maintaining good government, he can take pride and satisfaction in the achievements of that government, in addition to whatever gratification may be reflected in his tax bill. As Henry Bentley, shrewd chairman of the Cincinnati City Charter Committee, has so often emphasized, "enthusiasm without organization is im-

potent". But organization is a general term: it covers a multitude of mistakes as well as a multitude of methods. An organization to be effective in a democracy must itself have a democratic base. It must be just as thorough as its rival mercenary political machine in its attack. Citizens of one medium-sized American city were aghast recently when it was suggested to them that before each election they should know how every citizen in town intended to vote. But that is not a difficult task with effective organization. With two representatives on every block in the city, it would be no problem whatever; indeed, it could be done and done thoroughly in two or three days. What is more to the point, it has been done and it has succeeded. Cincinnati's excellent plan has been successfully copied by any number of other cities.

The other day in private conversation a prominent eastern official commented as follows:

"Your nonpartisan citizens' organizations," he said, "don't amount to a row of pins. They have no permanence, no stability. They pass out of existence

between elections when the most important spade work must be done. They seem to think government will work automatically. Few of them survive after one victory. I have yet to see one survive a defeat."

But do you suppose that the professional political machine headed by a boss does that? Not on your life. The gang sticks together in good weather and in bad and is always ready to step in and take things over when the good citizens tire at the job of being citizens and run off to golf. Citizens who want to maintain efficient government must be ever on the alert. There is no way of being on the alert save through the mechanism of a permanent citizens' organization that does the necessary jobs of (1) selecting capable candidates, (2) campaigning to see that they are elected, (3) getting out the vote on election day, and (4) between elections acting as a liaison agency between the government and the public, interpreting the work of the government to the public, educating the citizens as to what the government is doing. All four of these jobs are vitally important.

## College Corridor Conversation

(Discussion overheard between two candidates for the PH.D. in political science in a large Eastern university)

"**W**HY bother with all this local government? It causes more trouble than it's worth." Serious Brown Eyes speaking. Continuing,

"Looks to me as though things are in such a mess generally that the only way out is to have a general housecleaning—let the federal government collect all the taxes and handle all the administration through logical areas designed for the function to be rendered."

Blue Eyes grins skeptically.

"Yeah, you would! Just a little innocent abroad! Imagine the swell time

Jim Farley would have if you let him loose on a couple of hundred thousand local governments. The Republicans'd never see Washington again."

Brown Eyes: "No, I'm serious. Why do we put up with all these overlapping units of government? They grew like Topsy. Now we've got them and we don't know how to get rid of them. We'll never do it piecemeal. The whole job's got to be done at once. Call a federal constitutional convention, I say, and let's get it over with."

Blue Eyes: "Bright idea number two!



Set the table for the Communists and invite them in for tea. That's what you'd do. But more than that—say, listen, suppose you owned a farm out in Kansas somewhere and there was only one road that connected your farm and the nearest market. And along come a peach of a winter and you wake up some fine morning to find your road all torn to pieces by the old freeze and thaw combination. What do you do then? Telegraph to Washington to General Johnson?"

Brown Eyes: "You're smart, old man, but not smart enough. Don't you suppose the federal government would have a district office out there to which you could appeal at once?"

Blue Eyes: "What of it? By the

time that road was fixed, you'd be able to pave it with red tape."

Brown Eyes: "Oh, I don't know. Have you ever been inside a post office? Not bad service, is it? Compare it with the city hall or the county courthouse in your home town—if you dare. Administration by the federal government may sound radical—or conservative, depending on the point of view—but I'm not afraid of it."

"You don't have to be afraid of it. You'll never get a chance to find out whether it would be any good. Might just as well speculate on the government of Mars. Well, I gotta eat, no matter who runs the country. S'long—see you in church."

"S'long."

## Who's Who in This Issue of the Review

*Frank Bane*, educator in his native state of Virginia, welfare administrator, former member of the Hoover Emergency Employment Commission, has been since 1932 director of the American Public Welfare Association. He is also lecturer on public welfare at the University of Chicago, and frequent speaker and writer on current welfare problems.

*William P. Lovett* is executive secretary of the Detroit Citizens' League, one of the guiding spirits in that city's recent financial rehabilitation, and a frequent contributor to these pages. He is at present a member of the council of the National Municipal League.

*Wallace S. Sayre* and *Warner Moss*, are members of the faculty of political science at New York University.

*Dr. Edward Bates Logan*, professor of political science at the University of

Pennsylvania, budget secretary of Pennsylvania from 1931 to 1934, has just completed an exhaustive study of real property taxation in the state.

*G. Burman Curry*, an active worker in the recent campaign which won ratification of a manager-proportional representation charter for Toledo, is secretary of the Toledo Commission of Publicity and Efficiency.

*James H. Booser*, honor student at Swarthmore College is now studying at the Harvard Law School.

*Dr. Harold W. Dodds*, head of Princeton University, has been since last November president of the National Municipal League. Former editor of this journal, member of numerous commissions of inquiry, he is a frequent writer on governmental problems and opportunities.



## HEADLINES

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It costs \$1,200 a minute to run the government of New York City according to the Citizens' Budget Commission of that metropolis. The cost to each citizen would be \$91.00 a year if all of them paid equal taxes, which, fortunately for the parents of triplets they do not. The commission is distributing 250,000 copies of a pamphlet on the subject.

\* \* \*

People seem to have mixed feelings about running for office. A bye-election to fill an uncompleted term in the Texas legislature brought out 56 white Democratic candidates, one negro Democrat, two Republicans and a Socialist. A Dallas clothing salesman won. No need to name his party. This was Texas.

\* \* \*

On the other hand, the mayorship of Shepparton, Australia, remained unfilled until the six town councillors reluctantly agreed to fill the office in rotation, a month at a time. Thus the town had six mayors on the installment plan in six months.

\* \* \*

And Kentucky had three governors in 24 hours. Lieutenant-Governor Chandler took office in the temporary absence of Governor Laffoon, and a political squabble resulted in Senator Humphreys, president of the senate, having to hold the office a few hours while the Lieutenant-Governor was out.

\* \* \*

Baltimore takes first prize for the limit of consolidation between city and county. The city has been given the legal status of a county by the state.

\* \* \*

How to turn garbage into gold is a problem agitating our cities from coast to coast. Springfield, Mass., expects to get an income from municipal garbage by selling it to swine breeders. Sacramento, Calif., received over \$40,000 last year by selling the junk collected in its garbage. Many other cities are attempting to cash in on their refuse heaps, but so far no one has thought of adding a few municipal "chiselers" to the top of the pile thus saving money both ways at once.

\* \* \*

Baltimore encounters a curious reaction of the law of demand and supply in its garbage troubles. Decline in the value of waste paper and rags caused a decrease in receipts for push-cart licenses. This compelled the city to take over the refuse collection that the cart-pushers abandoned. The extra refuse was sold under contract to a private company, and thus the deficit was somewhat equalized.

\* \* \*

Purdue University reports a total registration of 1,000 in its annual road school for public maintenance-of-way men last February.

\* \* \*

London, England, produces the latest device for trapping the false-alarm fiend. When an alarm is turned in, a pair of nippers reaches out from the box and holds



the alarmist by the wrist. He has to stay there until the firemen come with the key. London seems to be taking some forthright steps in the abatement of citizen nuisances. It has moved against the unnecessary hooting of automobile horns in the congested districts. Drivers may hoot if they want to, but it will cost them \$10.00 a hoot.

\* \* \*

The American Library Association proposes public certification as a method of raising the personnel standards of libraries. The need is shown, according to Anita M. Hofstetter, Secretary of the Board of Education for Librarianship, by the fact that "in many states anyone, of the age of fifteen to eighty, with or without high school education, may hold a library position." This offers many succulent tid-bits to local politicians who don't like reading anyway. The Association also proposes a penalty for libraries which permit improperly qualified persons on their payrolls.

\* \* \*

The Bureau of Governmental Research of New Orleans is preparing a plan for a new city charter.

\* \* \*

Louisville engages a staff of specialists to survey the municipal setup, and to make recommendations for reorganization.

\* \* \*

Princeton University political science authorities are undertaking a study of the governments of Newark and Jersey City in relation to their state.

\* \* \*

Dayton, Ohio, according to *Public Management*, sets a high mark in career service. The city manager and his seven department heads show an aggregate of 188 years of sustained public service. The director of the water department and six of his bureau heads can account for 163 years of service. Service experience of the public welfare employees add up to 133 years for the director and his five chiefs.

\* \* \*

The Denver, Colorado, *Taxpayers Review* is pushing a Colorado program for governmental improvement, including a unicameral legislature, cutting the number of counties in half, and making each county a school district.

\* \* \*

Two news items from Pennsylvania tell of a citizen jailed and prosecuted at a cost of \$1664 for failure to pay \$7.14 taxes, and of a study which showed that it costs but 19¢ to collect \$100 in taxes in the largest two city school districts in the Keystone state. To these add two reflections by harried tax gatherers: One in Pennsylvania Economic Council's *Bulletin*—"City governments facing ruinous deficits should not expect too much from so-called new sources of income. These should be invoked only after other means have been tried"; the other from the *Columbia Record*—"The main difficulty about cutting off the expenses of government is that practically all the expenses can vote."

\* \* \*

Tampa, Florida, transmits its police radio messages in code after discovering that the radio works both ways in thief hunting. The message that sends a policeman after a criminal, can also help the criminal dodge the cop.

\* \* \*

Nottingham, England, is working out a new main-drainage system that, according to British engineers, should end Nottingham's sewage troubles for "at least half a century". This spring six and a half miles of the new trunk sewer will be completed. The total estimated expenditure is approximately \$3,500,000.

E. M. B.

# The Public's Responsibility for Legislation

Active participation of citizens in politics necessary to improved personnel in our legislative bodies

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HAROLD W. DODDS

*President, Princeton University*

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“THERE is not a country in the world living under parliamentary government,” wrote E. L. Godkin forty years ago, “which has not begun to complain of the decline in the quality of its legislators.” In America dissatisfaction with our law-making bodies is of much longer standing. Heaven knows, they leave much to be desired.

But if we are candid with ourselves we must admit that there is another side to the picture. When we abuse our legislatures are we not drawing a red herring across the trail of our own laziness and inertia? The politician has many indispensable uses in a democracy, not the least of which is to serve as a scape-goat on whose head we can heap our civic sins.

A realistic approach to the legislative situation will not be satisfied with sermons about our duty to elect better men to the legislature. If we are to be practical about it we shall first ask ourselves why we don't elect legislatures of which we can be proud, and we shall not rest content with any glib answers about the total depravity of American politicians. As a matter of fact, many of them are individuals of high character and purpose. Yet so often the best appear ineffective, and part of the reason is found in the system under which they must operate.

Until Nebraska introduced the single-chamber legislature a few months ago,

no serious effort had been made since the adoption of the federal constitution to reform our legislative layout. Repeating stereotyped arguments in favor of cumbersome bicameral legislatures, we have steadfastly refused to face the shortcomings of a system that no longer meets the facts of life.

A generation ago distrust of our legislatures took the form of a national movement for the initiative and referendum. Direct government, it was called. We were assured that the cure for the ills of democracy was more democracy, an attractive if cloudy phrase. We were going to improve our legislatures by making them obsolete. True, the initiative and referendum have their good points, as “the gun behind the door” has its good points. But both may be overdone. The unfortunate feature of the initiative and referendum wave was that by promising so much it distracted attention from the more fruitful possibilities of legislative improvement. To this extent it constituted a bar to progress.

The public's first responsibility for legislation is the responsibility to frame the best possible organization to legislate. One distinctive step forward is the adoption of the unicameral legislature and it is encouraging to note that more than twenty other states are considering following Nebraska's example.



## LEGISLATIVE COUNCILS

Another weakness of structure is the remote connection between the governor's office and the legislature. When we elect a governor we do so on the basis of his legislative program and pay little attention to his qualities as an administrator. We expect him to lead in legislation but we do little to coördinate him and the legislature. For fifteen years the National Municipal League has been advocating the legislative council idea, a sort of standing committee of the legislature serving between sessions as a liaison with the executive departments. The duty of the council would be to exercise in the name of the legislature a general supervision of the administration, and in coöperation therewith to prepare a program of legislation for the consideration of the legislature when it assembles. Nothing would seem more reasonable or simple. Why should a legislature, essentially a body of amateurs, meeting for short periods generally only once in two years, assemble with no pre-digested program of action? Every question that it considers involves administration. Why continue the fiction that it must operate in a separate compartment without the benefit of leadership even within itself?

Three states have begun to experiment with legislative councils, Wisconsin, Michigan, and Kansas. The Kansas plan is more comprehensive than the others and closer to the model of the National Municipal League. Its objective is beyond dispute. It constitutes a kind of research and planning body, not as an outsider but as part of the legislature itself. It recognizes that democracy cannot function without leadership and it seeks to drive this leadership into the open, where it belongs. If given an opportunity to function, the legislative council will mean better drawn bills, more intelli-

gently directed to the needs of the state. It will succeed if the voters understand its possibilities.

Undoubtedly this is a part of the citizens' responsibility for legislation to expedite those structural reforms such as have just been discussed which will help to make our legislatures more competent and effective. But we do not want to claim too much for mere structural changes. It is equally clear that our legislative salvation will not come through structural changes alone. Good legislation is more than a problem of mechanics, it is the continuing responsibility of each and every voter.

## THE PARTY SYSTEM

One grave difficulty from the standpoint of public opinion is the weakening of political parties through the growing power of minority pressure groups whose weapon is intimidation divorced from responsibility. By tradition our government rests on the two-party system. For years we have been told that this system is breaking down. Perhaps it is. Everyone is entitled to his own guess on this subject. The contrast, however, is not between a two-party system and a multi-party system, but between a party system and a no-party system. A recognized party must accept the burden of presenting to the electorate a comprehensive program on a variety of issues; a minority pressure group has no such responsibility. For this reason it seeks to cut across party lines in its own particular interest. No names need be mentioned. Examples of high-power lobbies will occur to everyone. They are a form of dictatorship foreign to a popular government. What is needed to counteract them is greater support of and belief in political parties.

I am far from preaching blind allegiance to political parties or advocating a return to the emotional party loyalties of an earlier age. Moreover, I have

(Continued on Page 218)

# Toledo's Fight For a City Manager

Citizen organization  
in Ohio city registers  
another victory for  
good government

G. BURMAN CURRY

*Secretary, Toledo Commission of Publicity and Efficiency*

AT THE general election last November, Toledo, Ohio, after two unsuccessful previous attempts, finally adopted an amendment to the city charter providing for a city manager and a small council of nine members elected at large by proportional representation. The amendment became effective January 1, 1935, so far as the provisions regarding elections is concerned, the first proportional representation election being held next November. The executive and administrative provisions become effective January 1, 1936, when the new council assumes control of general policies of municipal affairs and selects a city manager as chief executive.

The election and P. R. count provisions of the amendment follow closely after the Model City Charter of the National Municipal League. The administrative and executive provisions in general transfer duties now incumbent on the present mayor to a city manager who will be selected by the council, and who will serve for an indefinite term of office. All provisions of the present city charter were amended as to be consistent with this general principle.

## THE PRESENT CHARTER

The present city charter was adopted in 1914, becoming effective in 1916, and marked the end of the Independent

movement, now famous among the annals of citizen participation in municipal government in the United States. The Independent movement began in 1904 after the death of Mayor "Golden Rule" Samuel M. Jones, who gave the people their first taste of nonpartisan government from 1898 until his death in 1904, and ended in 1913 after suffering a terrific defeat, the result of an unusual set of circumstances. The primary aims and purposes of the Independent movement, however, were achieved.

The home rule amendment was written into the state constitution in 1912. A charter commission was elected in 1913 and a charter which provided for a nonpartisan government was submitted in 1914 and adopted. The new charter embodied the original objectives of the Independents and the movement acquiesced and subsided.

## THE COMMISSION OF 1928

In 1927 the voters elected a commission to draft a new charter providing for a city manager form of government. The charter commission worked diligently for nearly a year, drafted a charter, and placed it on the ballot in November 1928. In brief, the new charter, while it incorporated fully half the provisions of the old charter, provided for a city manager as the administrative head of the city government,



and a council of seven to nine elected by proportional representation with a fixed quota. Up to the time of presenting the new charter the prospect of its eventual successful passage seemed unusually bright. The political machines of both the Republican and Democratic organizations appeared to have no apparent inclinations one way or the other, and charter supporters were enthusiastic.

This enthusiasm, however, was short-lived. A minority block of the charter commission refused to sign the report approved by the majority. Within two weeks after submission of the new charter the minority formulated an alternative charter providing for election of councilmen by wards instead of by proportional representation, and this was submitted to the city council which promptly placed it on the ballot. This marked the first entrance of the two major political organizations into the arena. As a result, both charters were on the ballot and, under a ruling of the board of elections, voters were obliged to vote "yes" on either charter according to their preference and "no" on the remaining proposal. Failure to so mark both propositions invalidated their votes. Thus the political organizations first confused the issue and then entangled the P. R. charter in a maze of technicalities that rendered it nearly impossible of passage. Needless to say, both charters were defeated, although the P. R. charter received more affirmative votes than the minority charter.

#### AGAIN IN 1931

The next attempt at charter reform came three years later when a small group of citizens drafted an amendment to the old city charter. The charter was amended only so as to provide for a city manager as chief executive and a small council of nine, five elected by districts and four at large. This

amendment was presented to the city council with the request that it be placed on the ballot as a referendum measure.

It should be explained here that under the constitution of Ohio as well as the city charter the city council may place referendum issues on the ballot if two-thirds of the members concur. Also under the constitution and the city charter an initiative petition signed by voters and presented to council must be placed on the ballot and the proposition submitted to a vote. In this latter provision the constitution and the old city charter differed. The constitution provides that an initiative petition requires 10 per cent of the qualified electors, while the charter provision required 20 per cent. This conflict never had been settled by the courts in Ohio, although the Supreme Court has gone on record in a Cleveland case as declaring that a city charter cannot contain provisions in conflict with the constitution.

The charter amendment this time contained provisions for election of a council that were thought to be a compromise of the P. R.-large council issue of 1928. It provided for a council of nine, five elected by districts and four at large. When the amendment was presented to council, however, another amendment of a similar nature but providing for a large council appeared as if by magic from a desk drawer in the council chamber, and the council graciously decided to give the electorate the opportunity of voting on both city manager plans. Both amendments were passed on the same night. The Democratic and Republican organizations had declared themselves again in opposition to charter reform. As in 1928, both propositions failed of passage because of the confusion of the issues in the minds of the voters. It is significant of the election that of the

affirmative votes cast, the small council plan received a larger vote than the large council plan.

The results of this election are still the subject of considerable controversy between the proponents and opponents of the small council plan. In September of that year, almost immediately preceding election day, Toledo banks closed impounding many millions in depositors' cash. Citizen interest focused itself everywhere except on the charter amendments. What effect this change in public sentiment had on the vote is not known. It is known, however, that the party regulars went to the polls as usual on election day and when the smoke of battle had cleared away Toledo was destined to try yet again to obtain a city manager government.

#### VICTORY IN 1934

The last attempt at a change in government had its beginnings late in 1933 when a small group of citizens again began to consider their city government. Affairs at the city hall were rapidly going from bad to worse. The city was in a desperate financial condition. Bonds were in default, and the city was in the throes of a mild but unorganized taxpayers' strike. The civic pride of citizens was at the lowest ebb of any period in the history of the city.

Early in 1934 the group formed a permanent organization with the sole objective of obtaining a city manager government, adopting the name of "Citizens' Charter Committee". This time, however, the citizens' group profited by the failures of 1928 and 1931. Both previous attempts at governmental reform met disaster primarily because of opposition of the two major political organizations. It must be remembered that political organizations are permanent. They maintain their organization machinery year in and year out. Their treasuries are never

empty. The various citizens' groups, well meaning, earnest and conscientious though they were, never had such smooth running, well oiled organizations. Was it not probable that the underlying cause of both defeats was a lack of organization to combat organized opposition? The citizens decided that it was, and proceeded to organize a good government machine—one that would function with the precision of the major political machines but without spoils, favoritism, or patronage—to obtain a city manager government.

An amendment to the city charter was drawn and placed on an initiative petition. The circulation of initiative petitions was decided upon in order to avoid the possibility of two amendments again and the resulting confusion to the electorate. More than 22,000 signers were obtained. Here some legal difficulty was encountered because of the conflict between the city charter and the state constitution as pointed out previously. However, signatures enough to comply with the charter provision were secured after many months of campaigning, and the amendment was laid before the city council, which body subsequently placed it on the ballot. An alternative amendment did not appear and for the first time there was but a single issue before the voters.

The campaign for signatures impressed the citizens' group with the need of a larger and stronger organization to win the election. The organization was enlarged until it reached into every ward and precinct in the city. The campaign of the Citizens' Charter Committee was financed by voluntary subscription much in the same way as community chest and Red Cross subscriptions are taken. This time the charter amendment won by some 5,000 majority of the 60,000 votes cast on



the issue from a total of some 106,000 registered voters.

The citizens' victory cannot be attributed solely to their own sincere efforts. The Democratic landslide of 1932 swept every office in the county government with but one exception, and the Republican organization was crippled and demoralized. At the election in 1934, another county election year, a bitter fight was waged by both major parties for control of the county. Consequently the citizens faced no organized offensive against their amendment. A few days before the election the chairman of the Republican organization, Mr. Walter F. Brown, postmaster-general under the Hoover regime, issued a statement in the form of a letter to a local newspaper subscribing to the principle of a city manager government but denouncing proportional representation—the tactics of 1928 and 1931. This was the signal to party workers who campaigned feverishly against the amendment in the last days of the campaign. The Democratic organization joined in, but too late. On the other hand the citizens had a strong and energetic organization in the field. The movement was also aided by a united press, the first time in the history of the city that the newspapers were united on a political issue.

#### PERMANENT ORGANIZATION

The Citizens' Charter Committee had completed its work of carrying the amendment and disbanded, but not until a committee was appointed to draw up a plan of permanent organization, a constitution, and to study other matters incident to organizing on a permanent basis. The experience of the fight to carry the amendment was convincing that good government would not be provided by the machinery passed at the last election unless the citizenry exercised an eternal vigilance to see that

they got it. In short, the citizen's organization began where the old Independent movement subsided in 1913.

In January 1935, an organization meeting was held and a constitution adopted. The "City Manager League" is now a permanent organization similar to the City Charter Committee of Cincinnati. Membership in the League is open to anyone subscribing to the principles as set forth in the constitution. The League will put up a slate of candidates at the coming election pledged to good government, nonpartisan, without spoils, without patronage.

#### DANGER AHEAD

No sooner had the amendment been adopted and the citizens' group organized permanently than rumors of repeal began to be heard in various parts of the city, particularly in sections which were antagonistic to the new government. Petitions suddenly began to be circulated calling for a special election to restore the sections of the old charter that were amended or repealed by the city manager amendment. These were circulated for the most part by disgruntled officers and employees of the present city administration who opposed the amendment from the very beginning. The repeal petitions were presented to the city council on March 18, and the council with little debate and formality ordered a special election called for Tuesday, May 28.

The proponents of good government are now faced with the task of retaining the fruits of their victory last November. Impressed with their first taste of victory in three campaigns for a city manager, they are preparing to wage a fight to give the manager government a fair trial. The movement to repeal the new government has done little else but strengthen the good government forces. It is almost a foregone conclusion that the repeal will be decisively defeated in May.

"Good" politics, as well as sound governmental machinery needed for civic progress

# The Plan and the Man

WILLIAM P. LOVETT

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POLITICS is still the key to situations in popular government. It accounts for battles to be won, and for the strategy whereby to win them. Bad politics and bad politicians must be vanquished by good politics, played by good politicians. It is nothing but teamwork, the application of common sense to public affairs, the better arrangement of human relations.

One begins to wonder why the big bet so often is entirely overlooked and ignored by big shot reformers, progressives, promoters of this and that for good government. This kind of politics means defeat of rackets and other corruption by use of right principles of organized public action. As Coolidge said, "Politics is the process of action in public affairs".

What's wrong with the manager plan in many a city, whether with or without P. R.? Or why does the old mayor-council plan fail, even with plenty of honest citizens fairly alert? The trouble lies in the assumption that all politics is bad. Yet Lincoln had to be a politician. So we insist on a new application of good political planning, in order to overthrow the grafters and machine bosses.

In this non-political process of genuine politics a new-radical plan or charter may be the chief weapon used to overturn a bad system and set up a

good one in its place. But what about the failures of perfectly good programs, and the history of reactions from reform? Somewhere the good politicians have failed to play the good politics which is essential to permanent success.

To illustrate: the author of a recent book is called by one clever critic "an economic realist." "Dr. Blank," says this review, "believes in situations rather than in principles. He would agree with John Dewey that you must work with what you have, not with what you wish you had. It is the golden mean of Aristotle. It is the behavior of Mr. Facing-Both-Ways—always anathema to the doctrinaire. Many people, if you don't belong to a party, will immediately put you down as a snake in the grass. Yet it is the very essence of the scientific method to 'face both ways'; to consider the lessons of the past and the needs of the present at the same time. The future is unpredictable. The true scientist deals with the here and now."

Success of the manager plan in the great majority of cities adopting it accentuates its puzzling failures in the few isolated cases. The answer lies in lack of good political strategy. The same answer shows why some have kept a good half-loaf rather than reach for an impossible ideal.

Cleveland, after an experience bril-



liant but brief, succumbed to the bad politicians—the good ones were downed by constant hammering by tricky, resourceful spoilsmen. (But we look for an early come-back.) Kansas City is a blot on the national city manager escutcheon: hopelessly dominated by Tammany elements, seething with crime, run by a boss of superpower, yet masquerading under the banner of charter righteousness. Milwaukee, under an antiquated charter, gets excellent results because of the personality and militant leadership of Mayor Daniel Hoan. He is a politician of the modern, right kind.

Whether New York City goes for the manager plan is not so important as whether it goes whole-heartedly and stays there. Just now good politics would guarantee the longest possible term to Mayor LaGuardia. New York's trouble is that it is the big national show-place; its people, or too many of them, prefer Jimmy Walker to LaGuardia; they showed that when they turned down John Purroy Mitchel. Reform in New York is less than half a matter of plan—it is chiefly a matter of the man, the people, personnel. Chicago or Philadelphia never can make any modern plan win without some kind of conversion of the civic soul. And there are others.

Detroit is in a strait between its admiration for Cincinnati and its doubts inspired by the city-manager records of Cleveland, and of some cities in Michigan. Cincinnati is not yet out of the woods; the hardest fight may be just ahead. All the ingenuity, persistence, and heroism of Bentley-Seasongood, *et al.*, will be called into action in the year 1935. There, however, is one city with a hundred-per-cent political organization and program, an example to the rest of the land.

Right now Detroit has more of the advantages and benefits of city manager government than some manager cities. Under the nonpartisan administration of Mayor Frank Couzens the high-powered car is running so smoothly that "there just isn't any news to print". Like the council of nine, he is elected by the people, and, happily, supported by the people. He has full power to hire and fire the heads of nineteen departments. He tries no cases in the public press. He has completed the biggest job of re-financing in any American city—close to \$400,000,000—in a manner to have it called a "miracle" of municipal finance. He is deaf to the Tammany spoilsmen, insists on results, and hardly needs a civil service commission.

So why force a change for the sake of change? Why try to satisfy the doctrinaire with a different plan, a pretty picture, when things are going so well in the city hall? The time to reform is when things are as rotten as they were a decade ago in Cincinnati, or twenty years ago in Detroit.

Beneath the plan, of any kind, are the people—the man at the head, the officials, the voting, taxpaying citizens. The political realist is the best authority to direct solution of these problems of local government. Before starting a reform any city should first take stock of its political assets, in good leadership, for only good and unselfish community purposes. The "plan" and the "man" furnish two oars of the boat; both are essential to progress.

Politics is what you make it: a game of sharp wits, to serve the selfish interest of the politicians and their clients, or the science of government for community service and the welfare of all the people.

# A Civil Service Program For New York

Fusion control offers  
opportunity for a  
new and positive pro-  
gram in personnel  
administration

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DURING fifteen years of Tammany domination the New York Civil Service Commission was starved for funds and failed to develop a positive program. The commission is now controlled by a reform administration. James E. Finegan and Samuel H. Ordway, Jr., the two Fusion appointees, are two lawyers who have long fought spoils and earnestly advocated civil service reform. They will constitute a majority on the commission for six years. We may, therefore, expect a constructive program which will go far beyond the mere elimination of patronage politics from the service. Mr. Finegan and Mr. Ordway will have an opportunity to develop a complete personnel program. The ease with which responsibility may be denied on legal grounds, the lack of precedents and the opposition of vested interests in the civil servants' and taxpayers' organizations might easily tempt other men to seek the shallow public applause which would accompany a program limited to spoils elimination. It can hardly be assumed, however, that a commission reflecting and sharing the social viewpoint of Mayor LaGuardia will evade the conflicts necessary to give the city a model civil service.

The formation of a program which goes beyond patronage elimination and technical improvements in examinations is difficult because the ends to be served

by these efforts have not been adequately analyzed. Here the commission will be forced to a reconsideration of many of the premises underlying the merit system. Should the commission engage in planning activities and research? Will a general reclassification be a concealed salary reduction? Should the selection of recruits be based upon their educability or their previous acquisition of the necessary skills? Should promotions be based upon budgetary considerations or morale? Should the commission serve the broad social purpose of helping people to get jobs for which they are suited and in which they will be efficient, or should it play the rôle of the conventional employer who enters the market to purchase the best labor bargain possible without regard to the social or individual consequences?

The question of planning strikes at the heart of the whole problem. The commissioners cannot delegate these questions of policy formation to a group of experts whose technical proficiency is greater than their understanding of broad problems involving human beings. The job of the experts is one of research. It is the task of the commission to work out the general plan and to deal with the pressure which comes from the taxpayers and the employees. To favor either of these pressures will lead to exploitation. To hold a balance be-



tween them is to establish a stalemate. The commission must be partisan in championing plans and goals. Vague talk of "nonpartisan" municipal government, arising from a misconception of the difference between "government" and "administration," has no place in a city in which over two million people participate in elections in order to choose between social philosophies, and where one-fourth of the population finds public assistance the only alternative to poverty and starvation. It is increasingly evident that personnel administration must be an integral part of the general policy of a city government. Thus, Mr. Finegan and Mr. Ordway must not only make plans and select goals of their own, but they must also look to Mayor La Guardia for a social philosophy in accordance with the idea that elected officials introduce into administration a social philosophy which has been accepted by the people.

#### RESEARCH NEEDED

Intelligent research is the primary need without which the commission can hardly make a dent in its problems. It is not an exaggeration to say that the personnel problem of New York City, with approximately 150,000 employees, has never been given adequate study and that the several agencies entrusted with the management of personnel have pursued sporadic and uncoordinated policies without any attempt at a comprehensive plan. No municipal agency has formulated policy except in terms of a single problem of the civil service, and since the days of the Mitchel administration there has been no survey of the service which would provide the facts upon which policy must be based. Handling the personnel of the city has accordingly settled into antiquated grooves, records are kept as a matter of form rather than utility, and from day to day isolated problems are attacked

with ancient formulas haphazardly selected. The commission depends for information upon a hard working and earnest staff which has purchased competency in minutiae at the cost of vision and imagination and which approaches even routine problems with a caution which insures consumption of the available time with what should be automatic performance. The records kept by the staff are designed to facilitate routine administration and to protect the commission against charges of irregularity; they are, however, practically useless as *research* material.

For example, in the past, when an applicant was found to have failed a part of the examination in which a pass was required, the remainder of the paper was not marked. This may have led to a saving in immediate expenses but it deprived the commission of data by which to judge the effectiveness of its examinations as a selective tool. There is no real research staff, though some of the examiners have an intelligent interest in research problems. Many of the examiners do not have the training, and neither time nor money has been available.

Another equally important field of research neglected by past commissions has been that of ascertaining the facts about the labor market and educational facilities. Past commissions have relied upon the advice of prominent persons in the fields in which the examinations were to be held. No doubt these consultations have been an aid but the advice has not been given on the basis of research. Too often these advisers have voiced ideals or prejudices leading the commission to set standards that are too high or too low. The commission should be able to learn from the work of its own staff the probable number of applicants for any particular position, the probable educational records, the range of intelligence in the group of

applicants, the salaries expected, the extent to which the members of the group of applicants will seek and attain promotion. In other words, the commission has been altogether without information with which to attack its problem comprehensively.

#### RECLASSIFICATION OF PERSONNEL

Reclassification of the personnel must precede most of the other reforms of the commission. And it is imperative that the new classification plan avoid the pitfalls which usually appear in reclassification. Taxpayers' organizations see it as a device which will, in the guise of equity, generally reduce salaries. Reformers of the sentimental school see in the word a magic which will exorcise the devils of spoils and inefficiency. Civil servants regard it, depending upon time and circumstances, either as a threat to hard-won status or as a ladder to the coveted higher brackets. And civil service commissions and their staffs are likely to be impressed with the protection which the elaborate paraphernalia of a new classification can give them against criticism.

The present classification in New York City is neither logical nor up to date. It is at once too vague and too detailed. No one finds it satisfactory, least of all the commission whose instrument it is. Here, as elsewhere, the commission cannot proceed to positive performance until it knows something of its problem. There is need for a survey which will describe each position in the city service in terms of *function*, making it possible to group these positions in classes and sub-classes of similar functions. From what we know generally of modern civil service it is possible to suggest *a priori* that these larger groupings or classes should not be numerous. The most satisfactory arrangement, though this will be opposed by both vested interest and precedent, would be

to include all civil servants in three major classes: a non-technical class (custodians, clerks, stenographers, laborers), a technical and professional class (statisticians, engineers, doctors, etc.), and a directoral class which would include the planners and policy makers. This plan has the virtue of being democratic, intelligent, and of actually serving the ends for which classification exists. Broad lines of classification will remedy the fault of detailed examinations for narrowly defined jobs and will improve the promotion system by introducing opportunity and flexibility. Subdivisions of these major groups should be established only where actual differences exist. Classification is not, despite impressions to the contrary, a process of fixing status permanently. It is a continuing problem, and can only be administered if subject to perpetual reconsideration.

Salaries must also be based upon research. Here policy depends upon three factors: a definition of a "fair" wage, the amount necessary to attract and hold men from private enterprises, and the revenue resources of the city. The level of compensation fixed by these three factors must be continuously adjusted. In the past the primary work of civil service commissions has not been in this field, but rather in attempts at salary standardization, while the fixing of salary levels has been assumed by the various budgetary agencies, final approval resting with the legislative authority. But the commission cannot, as a practical matter, nor should it, escape a measure of responsibility for planning and recommendation in this more important phase of compensation. As the agency best informed in personnel problems, it is making poor use of its opportunities if it limits its activities to the subordinate matter of "equal pay for equal work" which has long loomed so large in the eyes of the



reformers as to obscure the basic problem of compensation. If it is to develop a satisfactory salary plan, the New York City Commission must recognize the nature of the salary problem and the conflicts it arouses. It must appreciate the special interests of the taxpayers' organizations as well as those of the civil servants' organizations, and it must not be blind to the city's special position as an employer with a paramount obligation to sponsor a socially valid wage plan. The present New York City compensation schedule is the result of many conflicting forces and confused objectives. It is inequitable, unstandardized and unplanned. A new plan should not be spoiled by too many compromises and its major purposes should not be sacrificed to plausible but specious appeals by taxpaying pressure groups for budget-balancing and "economy".

#### SELECTION OF EMPLOYEES

Recruitment is one of the most important problems because where there is security of tenure there must be care in selection. The research regarding classification should determine what qualities are desired but there remains the enormous task of determining means of selecting in accordance with those qualities. The examining tool has been honestly but very crudely used in New York. Examination questions have not been scientifically constructed but have frequently been selected in accordance with the prejudices of employee organizations. Examinations have not been tried upon selected groups of able employees nor have the results been adequately analyzed. Indeed, inadequate records make intelligent analysis impossible. Were statistical analyses possible, the commission could determine whether the examinations really ranged the applicants in accordance with their ability. The extensive use of "practical" ex-

aminations, having inevitably a narrow range of variety, has enabled the cram schools to "educate" candidates so that the high scores on examinations create a false impression of quality in the eligible lists. Attention should also be given to types of persons who have applied and the types which may be encouraged to apply. Certainly the present system of demanding that applicants have served a long apprenticeship in private business must be abandoned because government is receiving the refuse of the selective system of business. Business itself is turning to the idea of using educational qualifications supplemented by training within its own walls. The commission seems not to have realized the advantage of advertising its opportunities among the people best fitted for the jobs. Thus private agencies, such as civil service "schools", have been in a position to staff the service with non-promotable personnel.

The field of ratings, promotions, and discipline offers much difficulty because attempts to insure justice and equality of treatment too frequently mean red tape and fixed procedure which lead to inefficiency. The problem is further complicated by the fact that the rewards of the contemporary world of private industry influence the character of the rewards sought in public service. These rewards are hardly ideal because they foster personality traits and behavior which are often injurious to the service. In this field techniques can be no substitute for honest intentions and fair dealing as has been imagined in private industry. However, the commission should certainly consider the utility of an objective scheme such as the Probst Rating System or the more recent Telford method in place of the present ineffective scheme. A study should also be made to determine whether promotions are equally rapid

(Continued on Page 223)

# Extent of the Relief Problem

Magnitude of task facing federal, state, and local governments presents forbidding picture

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ANY discussion of the extent of the relief problem must begin with a reference to its growth during the past half-decade. It is impossible to picture the magnitude of the present task except in the light of those early trends and scattered attempts which are distinguishable in a review of relief prior to 1930.

Except that approximately 100,000 persons were crowded into 2,300 public almshouses in 1925,<sup>1</sup> we are virtually without knowledge of the total volume of the need for relief during that period. Statistical data were, if kept at all, recorded by local authorities. National systems of reporting by registration areas for certain classes of information in the public welfare field began only late in the decade, and generally did not cover the problem of relief. How many persons were destitute can, therefore, be estimated only roughly, as by reference to the large volume of occasional unemployment among those normally employed.

In 1920 the unemployed<sup>2</sup> numbered 1,401,000; in 1923, 1,532,000; in 1926, 1,669,000; and in 1929, 1,800,000. Their percentage among all employed persons rose from 4.6 per cent in 1920 to 5.6 per cent in 1929.<sup>3</sup> "Throughout

the 'prosperous' twenties there was never less than a million and a half unemployed . . ."<sup>4</sup> Even in the year 1929, when prosperity supposedly was general, there were nearly 3,000,000 unemployed in February.<sup>5</sup>

According to the best available information, private agencies financed only about 20 per cent<sup>6</sup> of the needs even in good times, when money was comparatively plentiful.

Public relief during this period was characterized by confusion and overlapping of responsibility between governmental units. Except for certain indirect contributions,<sup>7</sup> the federal government took no part in the relief program. In a few cases<sup>8</sup> the states

*United States, The Committee on Economic Security, Washington, November 1934, Chart I.*

<sup>1</sup>*Ibid.*, Chart II.

<sup>2</sup>*Ibid.*, Chart III. According to the *Report of the Ohio Commission on Unemployment Insurance*, 1932, the average unemployment in Ohio in four of the seven years from 1923 to 1929 was more than 10 per cent.

<sup>3</sup>For a somewhat higher estimate see Gill, Corrington, "Collecting the Relief Billions," *Midmonthly Survey*, October, 1934.

<sup>4</sup>Professor Simeon E. Leland cites, for example, the following: U. S. Children's Bureau, U. S. Department of Labor, U. S. Health Service, military service pensions, civil service pensions, and grants through the Shepard-Towner, the Smith-Hughes, the Fess-Kenton, and the Smith-Lever acts. "Public Welfare Governmental Relationships: Federal, State, Local," *The Social Service Review*, Vol. VII, No. 3, September 1934, p. 428.

<sup>5</sup>E. g., Pennsylvania, Virginia, and North Carolina.

<sup>1</sup>*Preliminary Report of the Committee on Economic Security*, September 1934, p. 31.

<sup>2</sup>In all industries except agriculture.

<sup>3</sup>*The Need for Economic Security in the*



provided equalization funds for local poor relief, their remaining contribution being the maintenance of institutional facilities. It was typically the local authorities—the townships, the villages, and, to some extent, the counties—which bore the burden of relief costs. No data are available for determining their expenditures.<sup>9</sup>

#### UNEMPLOYMENT GROWS

Then came the cataclysm. In five brief years<sup>10</sup> the value of retail sales dropped 47.7 per cent.<sup>11</sup> The dollar volume of net wholesale sales dropped 53.6 per cent.<sup>12</sup> The unemployed, numbering 3,250,000 on April 1, 1930,<sup>13</sup> by January 1931 numbered 7,360,000.<sup>14</sup> By March 1933 the American Federation of Labor estimated their number at 13,689,000.<sup>15</sup> In July of that year there were 15 million<sup>16</sup> on relief, by July of 1934 the number had increased to approximately 17 million,<sup>16</sup> and by Oc-

tober 1934 to approximately 18 million.<sup>16</sup>

Costs of relief, of course, rose rapidly. In January of 1933 the expenditures for unemployment relief totaled more than 60 millions. State and local relief funds in the first ten months of 1934 were nearly 30 per cent greater than in the same period of 1933. By October 1934 the total of all funds—state, local, and federal—had mounted to almost 157 millions<sup>17</sup> for that month.

Wisdom would dictate humility in any attempt to ascribe reasons for this economic debacle. It is perhaps sufficient to point out the speculative orgy of the late twenties, the mounting volume of technological displacements during the post-war period, and the disorganization of industrial life as it was aggravated by the incidence of a war which, for the first time in history, engulfed the globe.

Whatever the causes, their results are with us, now. Eighteen million persons are dependent upon government for relief.

What are they like, these 18 million? Happily, the introduction of the federal government into the relief field has brought with it, for the first time, a comprehensive reporting system, from whose researches we may now learn something of the characteristics of the relief group. In age and in racial composition they correspond roughly to the pattern of the general population. A slightly larger proportion of them are children under sixteen<sup>18</sup>—fathers with large families have been least able to

<sup>9</sup>Leland, *The Social Service Review*, p. 429. The gross expenditures for all welfare purposes grew rapidly during this period. For example: in 1915 they amounted to about \$89,000,000 or \$0.91 per capita. In 1930, they were \$224,000,000, or \$1.81 per capita. *Ibid.*

<sup>10</sup>1929 to 1934.

<sup>11</sup>From \$49,114,653,000 to \$25,700,712,000. *Census of American Business, Final U. S. Summary*, U. S. Bureau of the Census, November, 1934, p. 7.

<sup>12</sup>From \$68,950,108 to \$32,030,504. *Ibid.*, p. 7.

<sup>13</sup>According to The Census of Unemployment, 1930, quoted in the *Preliminary Report of the Staff of the Committee on Economic Security*, p. 5.

<sup>14</sup>According to a survey in nineteen large cities, U. S. Department of Commerce, quoted in the *Preliminary Report of the Staff of the Committee on Economic Security*, p. 5.

<sup>15</sup>*Ibid.*, p. 5.

<sup>16</sup>FERA Release No. 4423.

<sup>17</sup>The following table, adapted from the FERA *Unemployment Relief Census*, October, 1933, Report No. 2, Washington 1934, p. 17, gives the exact distribution.

#### AGE OF CLIENTS IN RELIEF FAMILIES, OCTOBER 1933

AGE	ALL FAMILIES		RELIEF FAMILIES	
	URBAN	RURAL	URBAN	RURAL
Under 16	27.6	36.1	39.8	44.4
16, under 25	16.3	16.4	15.0	16.4
25, under 45	32.9	25.1	26.9	21.8
45, under 65	18.1	16.6	14.9	13.1
65, more than 65	5.1	5.8	3.4	4.3

<sup>17</sup>FERA Release No. 4436, January 7, 1935.

protect themselves against adversity.<sup>19</sup> Negroes in many places have been the first to be dropped from their jobs, the last to be re-hired: the result shows in their slightly higher proportional representation on the relief rolls.<sup>20</sup>

#### "EMPLOYABILITY"

It is much to be regretted that there is no reliable means of determining in any authoritative manner the incidence of what is roughly known as "employability". The possibility of employment is, as we all recognize, a complex social phenomenon. It depends upon the state of the total labor market no less than upon such factors as training, variety of skills, and applicability of skills to locally available industrial opportunities. It is possible, however, while avoiding the phantasy of "employability", to discover something of occupational experience and special disabilities. Unfortunately, even in this field we are severely limited in our search for facts. A recent survey,<sup>21</sup> conducted by the FERA, discloses these data for relief clients in sample areas of five large industrial communities. While it specifies percentages, it apparently does so, not on the basis of social examination, but on the basis of questions answered by the case-worker, or perhaps, even by the family concerned. The totals must,

therefore, be interpreted strictly in the light of this limitation. They do, however, present nearly all the available material in which findings cover more than a single community and are confined to the current relief load.

Eighty-nine per cent of the total households, according to the statement of the members interviewed, "include one or more members from sixteen to sixty-four years old who want to work". Of these, 80 per cent are said to be experienced and to have had a record of at least one and a half years at a single occupation in non-relief work. Nearly two-thirds report four and a half years or more.

Three groups remain for consideration. It seems unlikely that any of them will, in any large numbers, be absorbed into a gradually reviving private industry. One is the group of those forty-five years of age or over. They comprise no less than 47 per cent of those clients who are experienced and state that they want work. A second is that group—11 per cent of all the families studied—in which all the members of the household were, for purposes of employment, either too old, too disabled, too young, or confined at home by the care of babies, invalids, or old people.<sup>22</sup>

In 13 per cent of the total house-

<sup>19</sup>The following table, adapted from Tables E and F, *Ibid.*, p. 16, indicates the expected fact that there is a slightly larger proportion of large families among relief families than among the general population.

#### TYPES OF PERSONS ON RELIEF ROLLS, OCTOBER 1933

SIZE OF FAMILIES	ALL FAMILIES		PERCENTAGE	
	URBAN	RURAL	URBAN	RURAL
1 person	N.R.	N.R.	14.9	9.9
2, 3, or 4 persons	71.1	61.2	63.2	52.5
5 or more persons	28.9	38.8	36.8	47.5

<sup>20</sup>In October 1933, 17.8 per cent of the total negro population was on relief. This may be compared with the 9.5 per cent of the white population and the 12.8 per cent of the population of other races who were on relief. *Ibid.*, p. 14.

<sup>21</sup>FERA Release No. 1002, January 7, 1935.

The data is as of May 1934. The sample included 169,000 out of a case load of 1,154,000. The cities were Boston, Massachusetts, Buffalo, New York, Pittsburgh, Pennsylvania, Providence, Rhode Island, and Rochester, New York.

<sup>22</sup>*Ibid.*



holds, at least one member of the family was, at the time of the survey, already holding a job in private employment, although with an income insufficient to meet the families' budgetary needs.<sup>23</sup> We may assume that, granted a works program at fixed wages, some proportion of these persons, preferring the security of employment in private industry to the uncertainties of changing and temporary works programs, will not be available for the new works projects.

We cannot hazard a guess as to the number of persons among those now on the relief rolls who are "employable". We can foresee that many of those now earning insufficient wages in private industry, and the aged, and those whose disabilities or home burdens are great, will constitute that appreciably large load which, under the President's new plan, may become local charges, or better, may fall into one or another of those broad categorical groups for whose direct relief there will be federal grants-in-aid.<sup>24</sup>

<sup>23</sup>In 66 per cent of these cases the supplementary income amounted to less than \$15 per week; in 18 per cent, to less than \$5 per week. *Ibid.*

<sup>24</sup>There is, of course, another large class of persons who are proper subjects for direct relief. Their incidence is not estimated in the FERA study referred to. This class is composed of persons whose physical disabilities, although not known to the case-worker or client, constitute a potential liability in a works program. Conceivably workmen's compensation claims may prove heavy, in such states as allow them, in work relief cases. In a recent Illinois study, physical examinations of clients already on relief work disclosed 1.6 per cent who were totally unfit for work, and an additional 15 per cent who were fit for work placement only in special occupations and with a physician's approval. Many of these workers presumably have no training which would fit them for these special occupations. Something between 1.6 per cent and 16.6 per cent, therefore, of those who otherwise might fall within a works program would, it is to be anticipated, become dependent upon direct relief if given the benefit of physical examinations. If not given this benefit, their physical disabilities will constitute a heavy potential liability under the workmen's com-

A total of 18,686,325 persons<sup>25</sup> received relief under the auspices of FERA in October of 1934.<sup>26</sup> Of this number 4,827,534 were resident families and single persons—15 per cent of the total population.<sup>26</sup> There were 235,758 transients.<sup>26</sup>

This, however, does not exhaust the count. Disregarding the numerically small number of beneficiaries of isolated provisions in some states,<sup>27</sup> and disregarding pension payments to veterans and their dependents,<sup>28</sup> we find three large additional groups of persons receiving special forms of relief.

In June 1932, 22,273 blind persons received pensions.<sup>29</sup> On June 30, 1931, 253,298 children<sup>30</sup> were receiving mothers' aid. On December 31, 1933, 115,164 aged persons were on the rolls of old-age pension authorities.<sup>31</sup>

While public recognition of the need for mothers' aid is increasing, both the number of grants and their size appears to be decreasing. In one large metropolitan community there are now eight thousand uninvestigated applications on file, with only one thousand four hundred operative grants; and in some counties of the same state grants of two

pensation acts, or lay a heavy burden of injustice upon workers in states which deny such claims. Illinois Emergency Relief Commission, *Monthly Bulletin on Relief Statistics*, October 1933, p. 11.

<sup>25</sup>Resident and transient.

<sup>26</sup>FERA Release No. 4423, January 3, 1935. Corrected figures are not yet available for any later period. These figures include both general relief and special relief programs.

<sup>27</sup>Such as cancer care clients in New Hampshire.

<sup>28</sup>And pensions paid to public employees from contributory schemes, and the great number of dependent children cared for on boarding funds, etc.

<sup>29</sup>One state not reporting. *Preliminary Report of the Committee on Economic Security*, p. 30.

<sup>30</sup>In 93,620 families. *U. S. Children's Bureau Publication No. 220*, 1931, p. 10.

<sup>31</sup>*Preliminary Report of the Committee on Economic Security*, p. 28.

and three dollars per month are common.

The number of states having mandatory old-age statutes is increasing (from four a decade ago to twenty-eight in 1934). This would tend to siphon clients from the relief rolls, were it not that the number of pensions is decreasing, thus throwing people back on relief, while the average grant is lowering, thus requiring numerous subsidies by relief bodies. In October 1933, there were more than four times as many people more than sixty-five years of age on emergency relief rolls as were in receipt of pensions.<sup>32</sup>

#### WHAT OF RELIEF COSTS?

The proportion of relief costs borne by private agencies is now estimated at less than five per cent.<sup>33</sup> By various methods the local governments have contrived to contribute, during the twenty-two months from January 1933 through October 1934, 19.3 per cent of the relief costs—a total of \$370,731,-344.17<sup>34</sup> Tax levies, bond issues, diversion of funds from purposes for which they were originally intended, the cutting of employees' salaries, and the use of accumulated surpluses—all were

resorted to in the effort to meet the rising tide of relief costs. But there were limitations. The general property tax, upon which the local authorities had to rely for the bulk of their income,<sup>35</sup> was inadequate: there were necessary reductions in assessed valuations, poor collections, taxpayers' strikes. Constitutions,<sup>36</sup> statutes, city charters, and administrative orders placed limitations upon the power of local governments to levy taxes and/or to incur debt. Meanwhile there was a vast loss of markets for municipal securities.

The states therefore stepped in. During the period from January 1933, through October 1934, they contributed to general relief the sum of \$272,543,-229.32—more than one quarter billion dollars. This, however, constituted only 14.2 per cent of the total relief costs.<sup>37</sup> Further, the percentage contribution grew steadily less, so that in October 1934 it was only 8.9 per cent.<sup>38</sup>

The constitutional limitations upon state taxing powers are too well known to require extensive description. For example, in only ten states is the power to borrow beyond temporary and national defense requirements vested in the state legislatures.<sup>39</sup> But by October 1934, thirty-six states had made provision of some sort—appropriations from general revenues (\$100 million from liquor revenue, \$15 million from

<sup>32</sup>*Ibid.*, p. 30.

<sup>33</sup>Gill, *Midmonthly Survey*, October 1934, p. 311.

<sup>34</sup>Exclusive of special categories such as blind pensions, mothers' aid, and old age assistance. By October 1934, the monthly contribution was \$20,847,466.40—13.3 per cent of the total costs. *FERA Release No. 4436*, January 7, 1935.

The costs of the categorical forms of relief are borne, variously, by local, state, and co-operative local-state authorities. It is not possible to offer any very extensive report in this field. *The Preliminary Report of the Commission on Economic Security* notes the following recent expenditures:

Blind pensions, as of June 30,	
1932 .....	\$3,969,642.00
Three states not reporting.	
P. 30.	
Old-age pensions, 1933	2,227,270.00
(Estimated from data on	
p. 29).	
Mothers' aid, 1931 .....	33,885,487.00

<sup>35</sup>In 1930, 63.8 per cent of the revenue receipts of cities over 30,000 inhabitants came from this tax. In at least nineteen of these cities, 80 per cent came from this tax. Leland, Simeon E., "Public Welfare Governmental Relationships: Federal, State, Local," *The Social Service Review*, Vol. VII, No. 3, September 1934, p. 431, quoting from *Financial Statistics of Cities, 1930*.

<sup>36</sup>In "at least" eleven states for counties, and in more for cities. *Ibid.*

<sup>37</sup>Exclusive of the special categories. *FERA Release No. 4436*.

<sup>38</sup>\$13,950,560.23. *Ibid.*

<sup>39</sup>Gill, *Midmonthly Survey*, October 1934, p. 311.



gasoline and motor taxes, and \$20 million from sales taxes), and bond issues (approximating \$300 million).<sup>40</sup>

The increasing need made federal assistance imperative. In the spring of 1932 Congress therefore made an initial appropriation.

Between January 1933 and November 1934 the federal government expended \$1,278,741,495.20—66.5 per cent of the total relief bill.<sup>41</sup> In October 1934, the last month for which all comparable data are available, the federal expenditure was \$121,949,841.00—77.8 per cent of the total.<sup>42</sup>

It is not to be supposed, however, that there was any very even distribution of the costs and of the contributions of federal, state, and local authorities. In October 1934, the federal allocation to Massachusetts was 28 per cent and to South Carolina and Mississippi more than 99 per cent. Ten states—Alabama, Florida, Georgia, Mississippi, Nebraska, North Carolina, North Dakota, South Carolina, South Dakota, and Wyoming—contributed no state funds; Delaware contributed 67 per cent of her relief costs. Delaware local authorities, however, contributed nothing, while in Massachusetts the local grants constituted 72 per cent of the total.<sup>43</sup>

<sup>40</sup>*Ibid.* These allocated relief sums are, of course, trifling by comparison with the totals raised by these means. The gross public debt (exclusive of federal debt) is, for example, \$20 billion. The total liquor revenue is said to be \$2½ billion. The annual revenue from gasoline and motor taxes is estimated at \$850 million, and from the sales taxes, in excess of \$200 million. *Ibid.*

<sup>41</sup>*FERA Release No. 4436.* This does not, of course, include the value of the 692,228,274 pounds of foodstuffs supplied through the Federal Surplus Commodities Corporation. *New York Times*, October 18, 1934.

<sup>42</sup>*Ibid.*

<sup>43</sup>Gill, *Midmonthly Survey*, October 1934, p. 311.

For those interested in a further analysis, it may be of interest to state that the FERA grants for the fiscal year ending July 1, 1934,

The burden of public assistance has not lain lightly on any area or on any state. In October of 1933 the urban relief load constituted 11 per cent of the urban population, while the rural caseload constituted 9.5 per cent of the rural population.<sup>44</sup>

In October 1934, every state was represented in the expenditure of relief funds.<sup>45</sup>

As is to be expected, however, the variation from state to state is large: there are 4,000 resident cases in Nevada and 509,000 in New York State.<sup>46</sup>

The categorical forms of relief show a far more uneven distribution. Twenty-four states are paying blind pensions.<sup>47</sup> Although twenty-eight states provide for old-age pensions, only sixteen are paying them.<sup>48</sup> In the forty-six states which have mothers' aid legislation, 45 per cent of the counties made no grants in 1931, and between 1931 and 1933 there was a decrease of sixty-nine counties in the number of those empowered to grant and granting.<sup>49</sup>

It is to be hoped that a business revival will provide employment for millions now out of work. But if our experience of past depressions means anything, if anything can be learned from the experience of other countries, and unless our first-hand, day-by-day observations during the past four years are all wrong, we will have for years to come a problem of widespread need several times greater than we had experienced prior to 1930.

were recently (November 11, 1934) estimated by *The Boston Sunday Advertiser* (p. 16) to be \$1,157,183,466; the total federal emergency expenditures (FCA, Treasury Department, AAA, FERA, HOLC, CCC, and PWA), \$7,685,714,795, and the total federal revenues, \$2,985,673,496.

<sup>44</sup>*FERA Unemployment Relief Census*, p. 14.

<sup>45</sup>*FERA Release No. 4423*, January 3, 1930.

<sup>46</sup>*Ibid.*

<sup>47</sup>*Preliminary Report of the Committee on Economic Security*, p. 30.

<sup>48</sup>*Ibid.*, p. 28.

<sup>49</sup>*Ibid.*, p. 25.

The man on the street is becoming aware of the long-time nature of the problem and the need for a long-time plan for its solution. Welfare officials have long recognized these facts. Both of the political parties believe (bear witness, the Presidential message to Congress on June 8 and the statement of the National Republican Committee at its meeting in Chicago on June 6) that we have a continuing welfare problem and a continuing governmental responsibility.

The extent of the problem suggests that we give careful consideration to future forms of public assistance. If

private agencies are able to shoulder 10 per cent of the task of providing for the destitute of this country over a period of the next two decades, we will, in my opinion, establish an excellent record. The problem is in large part a continuing problem of large proportions and immense importance to our entire country, a problem which will require reorganization and modernization of many of our inherited ideas and outworn governmental practices and the development of a broad coöperative program by federal, state, and local governments. Nothing less will adequately provide the services which we must have in every state in this country.

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### THE PUBLIC'S RESPONSIBILITY FOR LEGISLATION

(Continued from Page 201)

great respect for the independent voter whose support must be earned at each election. But I have little use for the critical individual who from superior heights of self-esteem spurns work as a party member. For the average man or woman the point at which to begin to purify politics is within the party. Otherwise he or she must remain a bystander of the great game.

In contrast to other civilized countries, public office in the United States enjoys low prestige. For this reason, it attracts only a small proportion of the best capacity of the nation. Through a lack of understanding of the processes of free government, service in a party is considered to be even a lower form of animal life than service in a public office. But if stability and order are to mark our social and economic development; if our legislatures are to be

responsive and responsible, a vote in the party primary is of greater importance than a vote on election day.

In a representative government the ultimate responsibility of the citizen in legislation is to get good men into the legislature. I have mentioned several removable obstacles to this, such as the bicameral system, lack of recognized leadership, and the power of pressure groups. Improving the mechanics of legislation will help improve personnel, but behind the personnel and determining its character stands each one of us as voters, and those who take a high hat attitude to political parties and political office will have much to answer for in the last great day of political judgment.

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**A Correction.**—New Haven's tax rate for city purposes was \$15.62 in 1934, and not \$5.62, as reported in "Comparative Tax Rates" in the December 1934, REVIEW. The total rate is correct as reported, \$27.50.



# Taxation of Real Property in Pennsylvania

Tax situation in the  
Keystone state sur-  
veyed by its former  
budget secretary

EDWARD BATES LOGAN

*University of Pennsylvania*

IN PENNSYLVANIA the real property tax is the most important one in the whole tax structure. Of the total taxes amounting to \$412,000,000 collected by the state and local governments in 1932, approximately \$300,000,000 or 72 per cent, was derived from the real property tax.

The real property tax is levied only by local governments—cities, boroughs, townships, counties, poor districts, and school districts numbering in all 5,634 separate taxing districts. The state gave up the real property tax as a source of state revenue in 1866. The tax is levied upon all real estate which by law is defined to be: "Houses, lands, lots of ground and ground rents, mills and manufactories of all kinds, furnaces, forges, bloomeries, distilleries, sugar houses, malt houses, breweries, tan yards, fisheries and ferries, wharves and all other real estate not exempt by law from taxation."

Certain classes of real estate are exempt by law from taxation including chiefly property classified as that of religious, charitable, and educational institutions; burial grounds and mausoleums, vaults and crypts; public property; property belonging to ex-service men; and the real estate of public utilities.

Assessments are made by two governmental units, the county and the city.

The county assessment serves as the basis for the levying of county, borough, township, poor, and school taxes where the school district does not lie within the limits of a city. The city assessment serves as the basis of the city tax and school district within the city.

In sixty counties of the sixty-seven in the state, assessments are made by assessors elected locally in the taxing districts, which assessors have practically no supervision in their work. The only supervisory body is the elected board of county commissioners acting ex-officio as a board of revision. In the other seven counties there is an appointed supervisory board and appointed assessors to make the assessments in counties.

With the aid of workers furnished by civil works administration funds and the coöperation of faculty members at twenty-four colleges scattered throughout the state a survey of assessments was made in twenty-six counties of the sixty-seven in Pennsylvania.

The chief purposes of the survey were to determine whether assessments are being made in conformity with the standard of valuation established by law, that is, the full sales value, to determine whether uniformity as required by the state constitution is being secured, and to determine the burden of the tax on real property income.

Information showing sales values and

assessed values was obtained for 26,301 properties in the twenty-six counties. Information showing taxes paid and income on properties was obtained for 20,958 properties in twenty-five counties for the years 1931, 1932, and 1933.

Tabulation of the information showed that valuations as a basis for applying the real property tax were made far below the full sales value standard established by law in the counties outside of Philadelphia, and above the standard in Philadelphia. The percentage of assessed value to sales value outside of Philadelphia was 59.8, in Philadelphia 110.2.

#### ASSESSED AND SALES VALUES VARY

Among the counties there was found to be a great variation in the relationship between assessed values and sales values. From a median percentage of 36.7 in Northumberland County the median percentages varied up to 110.2 in Philadelphia, or a high of 92.8 in Huntingdon County outside of Philadelphia.

The information was tabulated by subdivisions in each county and there was found to be great variation in the average percentages of assessed values to sales values for the various subdivisions.

In Lehigh County the average percentage varied from a low of 38 per cent in Washington Township to a high of 96 per cent in Heidelberg Township; in Clinton County the average assessment as compared with sales value varied from 16 per cent in Castanea Township to a high of 126 per cent in Colebrook Township; in Montgomery County the average varied from a low of 27 per cent in Red Hill Borough to a high of 100 per cent in Skippack Township; in Chester County from a low of 39 per cent in Schuylkill Township to a high of 105 per cent in West Whiteland Township; in Philadelphia

from a low of 73 per cent in the second ward to a high of 206 per cent in the fourteenth ward.

An examination of individual assessments shows great extremes. Assessments in some districts in comparison with sales value are fifty times and more than that of others.

The information for the twenty-five counties outside of Philadelphia was tabulated to ascertain whether rural and urban property is being taxed equitably. For all of the properties in the twenty-five counties it was found that rural properties were assessed higher than urban properties. The median assessment percentage for rural properties was 68, for urban properties 57. In many counties there was a much greater difference. In Adams County the rural median was 72, the urban 46; in Clinton County the rural median 73, the urban 51; in Lancaster County the rural median 66, the urban 47; in Union County the rural median 102, the urban 52. In a few counties the urban median percentage exceeded the rural median.

The county and city assessments on the same properties were compared in eleven third class cities. Great differences in valuations were found on identically the same properties. A few cases in Lancaster serve to illustrate the incongruity. A property of which the last sales price was \$3,750 was assessed by the county \$1,300, by the city \$4,500; another of which the last sales price was \$1,900 has a county valuation of \$800, a city valuation of \$2,800; another with a sales price of \$1,800 assessed by the county \$1,000, by the city \$2,600; another with a sales price of \$25,500 assessed by the county \$5,000, by the city \$22,000. Many other similar illustrations could be given in Lancaster and other third class cities.

One of the most important tabulations was to determine whether properties of different values were being valued and



taxed equitably. For such a determination the information for the properties was tabulated by value groups. The tabulation shows that there is a heavier concentration of the tax burden on low value property than on property of higher value.

#### EQUITABLE VALUATION

That condition is notably true in some counties. In Philadelphia properties in the lowest value group, below \$1,000, are valued at an average of 341 per cent of sales value which is 182 per cent above that of any other value group. The next highest is 159 per cent for properties valued between \$1,000 and \$2,000. In Adams County properties in the lowest group, that is below \$1,000, were valued at 119 per cent of sales value; the next highest percentage was 76 which was in the next higher value group, \$1,000 to \$2,000. In Union County properties in the lowest value group were valued at 103 per cent with the next highest percentage 74. In Indiana County the percentage was 111 for the lowest value group with the next highest 83.

The information shows that there is discrimination against low value properties in comparison with higher value properties. Because the largest number of properties fall in the low value groups the conclusion can be reached that a program of equalization of assessments would result in more decreases than increases. Such a conclusion is borne out by the results obtained in Allegheny County where a program of equalization is now under way. In adjusting the valuations on 39,000 properties there were 31,000 decreases.

Comparison of taxes paid on properties and income from properties shows that taxes are taking varying proportions of the income. There is great

variation in this respect from county to county, subdivision to subdivision, and among the individual properties. In some subdivisions taxes take four to five times as high a percentage of income as in others. Many cases were found where the taxes exceeded the income from property. In Philadelphia for all of the properties for which information was obtained, 12,551 properties, taxes took 50 per cent of the rental income from the properties.

The study shows that valuations as a basis for the property tax are not being made according to the standard provided by law and no other standard could be discovered. Valuations as now made are far from the uniformity required by the state constitution. Moreover, there is discrimination against rural properties and there is a graduation of the rate on those who own low value property.

The results shown in this study bear testimony of the defects in the assessment system. Pennsylvania is one of the few states not having a state tax commission to furnish supervision. The system in sixty of the counties is extremely decentralized with locally elected assessors. In the other seven counties where an appointive system has been established there has not been established a method of securing assessors with the proper knowledge and training and one proof against political manipulation.

This study shows that property owners in the counties are paying varying rates of property tax and contributing to the support of government on an inequitable basis. It appears that the assessment system will have to be completely reorganized before the property tax can be placed on a basis by which it will be fairly applied.

## Origin of the Direct Primary

BY JAMES H. BOOSER

OF ALL political inventions made in the United States none is more distinctive than the direct primary. In spite of long and wide use here no other country has imitated it. As to its origin in informal party rules there has been much dispute. The honor has been claimed for Virginia and California, also rather more definitely for the Republicans of Crawford County, Pennsylvania, hence the name "Crawford County System" which was commonly used down to the beginning of the present century. There is even greater disagreement as to the date of its origin, some authorities fixing it as late as 1870, others in 1868, or at the beginning of the 'sixties.

Recent researches in the files of old newspapers, chiefly of the Crawford *Democrat*, preserved in the public library of Meadville, prove beyond question that the first use of the device was made by the Democrats of Crawford County, Pennsylvania, on September 9, 1842—that is, two decades or more before the dates hitherto accepted. Already at that early time the delegate convention system had developed evils, particularly the outbreak of party disunity following factional fights. It was with the intent of avoiding these evils that one George Shellito, otherwise unknown to fame, introduced the following resolutions which were carried unanimously at a mass meeting of Democratic citizens of Crawford County, August 9, 1842.

Resolved, That a convention shall meet on the last Tuesday of June in every year hereafter, at the court house in the borough of Meadville at 2 o'clock P. M., and that there shall be meetings held in the several districts of the county on the Friday preceding the meeting of the convention between the hours of 3

and 6 o'clock P. M., when the qualified voters shall choose one person for chairman and two persons for secretaries of the meeting. The Democratic electors shall then proceed to vote by ballot for the different candidates for the various offices to be filled at the ensuing general election, and when counted up and certified by the officers of the meeting, one copy of the returns shall be left with the secretaries and the other copy shall be taken charge of by the chairman, whose duty it shall be to make a return of the same to the county convention on the day above-mentioned. Upon the meeting of the return judges they shall choose out of their own number one person as president, and two persons as secretaries; and they shall proceed to cast up the votes given, and the two highest in vote shall be declared duly nominated for members of assembly; and for all other offices those having the highest number of votes shall be duly nominated. In case the chairman of the township meeting cannot attend, one of the secretaries shall take charge of the returns and act in his place in the county convention; and in the event of there being a tie between any two of the candidates, the convention shall choose one of them, who shall be the candidate.

Resolved, That all persons who wish to be candidates shall have their names published at least three weeks before the township meetings.

Resolved, That for this year district meetings shall be held Friday, September 9, and convention Tuesday, September 13.

Further evidence of the early origin of this political device is afforded by the attention which it soon received elsewhere. In 1844 the Democratic party of Greene County, in southwestern Pennsylvania, adopted the Crawford County system. Its later popularity throughout the Keystone State was due to general dissatisfaction with county delegate conventions. To inquiries from the



county of York, far to the east across Pennsylvania's mountains, the Crawford *Democrat* of November 13, 1845, replied:

Meadville respectfully suggests the adoption of the "Crawford County system" as it is generally known by that name in this state . . . We consider it the most fair and honorable system that the Democratic party can do battle under. Under its provisions, every member of the party is heard; there can be no intrigue or corruption used . . . the sovereign voters themselves declare who shall be their candidates, and the cry of bargain and sale, packed conven-

tions, disobeying instructions, &c., will be hushed.

From Pennsylvania the plan, hailed as a "revival of democracy," spread widely throughout counties in the south, the middle west and the far west. Crawford Democrats sanguinely hoped "to see this system adopted in every county in the state". Their descendants not only realized that wish, but also, after 1903, saw the Crawford County system, rebaptized as the direct primary election, enacted into law by every state in the union with three exceptions.

## A CIVIL SERVICE PROGRAM FOR NEW YORK

(Continued from Page 211)

in all parts of the service. Taking the city services as a whole, promotions in the clerical grades appear to be slowest in those departments which are dominated by politics.

The problem of employee participation in management does not press itself aggressively upon the commission at present but the time is now ripe, in view of the growth of employee organizations, for their participation in personnel administration. New York has had a long history of civil servants' organizations, but they have never been made a responsible part of the personnel administration as they have been, for instance, in the British Whitley council system. Instead, they have been forced into a form of private politics for private ends. A government engaged in forcing a settlement of such problems in private enterprise cannot long delay attention to the civil servants' grievances. It is to be hoped, moreover, that European experience

will have some decisive influence in our settlement of the problem in public employment.

The constitution of the commission and its relation with the state commission and the agencies of local government are also matters of concern but we hope to deal with those problems elsewhere. It ought to be said here, however, that members of the commission cannot escape responsibility by pleading legal limitations on their powers. It is incumbent upon them to urge changes in the law. There is danger that the commission may meet a difficult situation with a familiar formula: there are "practical" aspects (really red tape) which make this or that difficult and therefore impossible. Legal obstacles may be brought forward as permanent and impassable barriers to otherwise desirable changes. The brilliant precedent set by the commission from 1914 to 1918 may be forgotten. Courage, policy, funds, and research are pressing needs of the present commission. These are essential today even though the results may not appear in the service for some years.



## NEWS OF THE MONTH

### NOTES AND EVENTS

*Edited by H. M. Olmsted*

**Rhode Island State Departments Simplified.**—The government of Rhode Island has been administered by almost one hundred commissions, boards, and departments, some of them overlapping; but following the New Year's Day "coup" by which the new Democratic government overthrew various heavily entrenched Republican strongholds in the judicial and administrative branches, these commissions and other agencies have been replaced by a greatly simplified structure, even prior to the enactment of a detailed new administrative code.

According to F. Lauriston Bullard in the *New York Times* for March 17, "All have been consolidated into eleven departments, four to be administered by executives chosen by the people and seven by appointees of the governor, while the governor will have direct supervision over them all.

"The executive departments are headed respectively by the governor, the secretary of state, the attorney general and the general treasurer. The seven other departments, each directed by an appointee of the governor, are public welfare, public works, taxation, education, labor, agriculture and public health. The titles imply the allocation of duties.

"Among their dramatic strokes on January 1 the Democrats included the passage of a bill for these consolidations. The transition has been accomplished by virtue of the powers conferred in that skeleton enactment. . . . Outworn makeshifts of administration have been swept away. What the people now are most anxious to see is the choice of real experts to manage the departmental divisions."

Meanwhile the new supreme court has before it the question of the constitutional right of the general assembly to call a convention for revision of the constitution.

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### **Trenton Adopts City-Manager Plan.**—

The voters of Trenton, New Jersey, approved the adoption of the city manager form of government on March 19 by the overwhelming vote of 18,623 to 11,676. Trenton becomes the seventh and much the largest municipality in New Jersey to adopt this type of government, and in doing so abandons the commission plan which has been in operation since 1911. Two of the commissioners who now go out of office have been members of the ruling body continuously since that year.

The new council will be elected on April 16 and the new government will take over the management of city affairs on May 14. Nine councilmen-at-large will be selected for a four-year term and will be subject to removal by recall after a year in office. This recall provision in the New Jersey law is no dead letter as Asbury Park is to have a recall election on April 9, the close of the first year of city management in that municipality. The salary of members of council under the new law is fixed at \$1,200, but the council has the power to turn back this amount to the city treasury. By majority vote of the new board, one member will be designated as mayor of Trenton. The council will, of course, name the city manager and fix his salary. In addition to the terms of all five city commissioners expiring on May 14, the terms of all appointive city officers and their subordinates also will end one month later. City employees under civil service are not affected by the change in government, nor are the members of the board of education,



trustees of the Free Public Library or employees of the city school system. This new form of government must receive at least a four-year trial, as the law specifies that it cannot be changed within that period.

Public opinion was incensed when Mayor LaBarre, Police Commissioner, following a departmental investigation, reinstated the police chief and a sergeant who had been accused of graft in connection with the "number racket". A few days after this act the Good Government League was formed to sponsor the council-manager campaign. By a curious coincidence, the verdict of the Mercer County jury holding the police chief and sergeant guilty of the charge referred to above was handed down as the polls were closing on March 19. The police investigation and the rising city debt (\$21,000,000) coupled with a rising tax rate were the chief targets of those advocating the manager form of government. With all due respect to the admitted advance in city government which has been contributed by the city manager development the voters of Trenton were voting against their commission rather than for the city manager form. The city commission carried but eight of the eighty-two districts. The tremendous interest in the special election was demonstrated by the truly extraordinary vote, only 2,500 less than at the last general election.

The campaign, beginning with the petition of 15,000 signatures, 10,000 more than necessary, consumed less than six weeks. The strategy of the Good Government League, which banked on a short, sharp campaign in which current public dissatisfaction with the police scandal could be utilized to the utmost, proved eminently successful and Trenton should profit by the efforts of those who saw and made use of a golden opportunity to improve the form of their city government.

C. R. ERDMAN, JR.

Princeton University

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**West Virginia Legislature Destroys Hinton's Council-Manager Charter.**—The history of the Hinton charter change is as brief as it is sordid.

There was no original intent to destroy the council-manager plan. Our representative in the lower house of the legislature introduced

an amendment reducing the council from sixteen to five members and providing for election at large instead of by wards. This measure was not objectionable—favored in fact—and would have passed in regular order on regular calendar.

Two citizens of Hinton, just two, reinforced by less than a dozen letters and telegrams from anti-administration politicians, appeared one morning at the state capitol. Within a few hours they managed, apparently without the least difficulty, to have a senator from another county and a resident of another village (population 231) submit some fourteen amendments to the pending charter bill. This same senator obtained suspension of the constitutional three-day deliberation requirement and before nightfall our charter had been stripped of the city manager feature and the appointment of a recorder made optional instead, effective July 1.

The bill, as passed, had not been printed. It was not read by members of either the house or senate before passage. The bill did not contain a referendum clause and the people of the city have no voice in the charter change. Its passage caused the prompt resignation of Hume K. Nowlan, who has served as city manager with outstanding success for eight years.

The new charter has set good government in Hinton back at least ten years. A municipal "home rule" bill was, however, passed by the same legislature and in 1936 the substantial citizens of this city will lead a movement to return Hinton to its proper place in the fold of council-manager cities

J. E. FAULCONER

Editor, Hinton *Daily News*

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**Other City Manager News.**—On March 5 Huron, S. D., (10,946) adopted the provisions of the state's city manager enabling act. Nine councilmen will be elected on April 16 to serve under the provisions of the new charter.

Braintree, Mass., (16,712) defeated a hybrid city manager charter, which had been enacted by the legislature, on March 4; Raleigh, N. C., (37,379) also defeated a manager proposal on March 12. In the latter case the defeat was attributed to a heavy rain storm—only 6,250 votes were cast out of a possible 15,000.

Wheeling, West Virginia, (61,659) will vote

on a charter, providing the manager plan of government with proportional representation for the election of the council, on April 18 (see note on page 234).

A bill has been introduced in the Nebraska legislature to make the city manager plan optional, by popular vote, for all cities having not less than one thousand inhabitants. It is deemed to have excellent chances of passage.

Bills enabling second and third class cities to adopt the manager plan are now before the Kansas legislature.

In Council Bluffs, Iowa, (42,048) the city manager league has launched a movement and circulated petitions to secure the adoption of the manager plan.

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**Improving Relief Administration in New York Cities.**—Improvement in administration of relief throughout New York State is the aim of a manual of procedure now in preparation by Public Administration Service of Chicago for the New York State Temporary Emergency Relief Administration.

Heretofore regulations and instructions have been issued from time to time to the 119 welfare districts in the state as changes were made in the relief program. Now, with the belief that relief procedures may be more or less codified, all previous bulletins have been digested and incorporated in the manual, which outlines simplified methods for operating the program, based on first-hand information.

The manual sets forth the eligibility requirements for receiving relief, the method for determining the amount of relief to be granted, and the procedures to be used in granting it. Forms have been designed to meet the need for a complete financial and social record of each relief family and for determining the eligibility of applicants.

The manual also enumerates the methods, records, and accounting required in conducting work relief, surplus commodity distribution, the educational and college-aid programs, rural rehabilitation activities, and other branches of relief.

With these fundamentals in operation, New York State is prepared to meet any changes in the federal relief program with a minimum of effort and lost motion, according to Donald C. Stone, director of Public Administration Service. Many of the new procedures advised in the manual are already in operation in cities

of the state, which spends approximately thirty million dollars a month on its half a million relief cases.

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**Laws and Proposals for Reorganization of State Welfare Work.**—Recently enacted or proposed legislation for improving the machinery of welfare administration are summarized in *Public Welfare News*, the bulletin of the American Public Welfare Association.

Arkansas and Wyoming have lately created state departments of public welfare and county boards of welfare with limited relief functions.

Michigan and Missouri legislatures, upon the advice of official commissions and committees given during the past year, are considering bills for reorganized state departments of public welfare with related county units. Oregon and Washington are doing likewise.

Nebraska is considering creating a state department of public welfare with combined health, welfare, and labor functions. New Hampshire is considering the establishment of a state board of welfare and relief.

A Colorado bill, if enacted, would considerably extend the functions of its now inactive division of public welfare. A California amendment would transfer the appointment of the director from the governor to the board of social welfare. An Arizona amendment would give the department more powers relating to relief. A West Virginia bill proposes more powers to the present state department and would also create welfare districts with agents paid by the state. A Georgia bill is designed to create a board of public welfare in each county.

New York State has extended the life of the TERA to February 1936, and has taken the first step toward correlating relief work with permanent welfare functions by authorizing the state commissioner of social welfare to attend meetings of the emergency relief administration.

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**New York City Planning Conference Backed by Civic Groups.**—At the conference on city planning held in New York City in February under the auspices of the mayor's committee on city planning, delegates from more than two hundred civic organizations in that city adopted a resolution providing for



similar conferences twice a year and endorsing Mayor LaGuardia's proposal to establish city planning on a more permanent basis in New York City.

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**Emergency Aids to Education.**—In one of its recently established news letters issued from its Washington headquarters, the National League of Women Voters calls attention to the various types of federal assistance to education, listing the following amounts provided by four federal agencies up to the end of the last fiscal year, June 30, 1934: Federal Emergency Relief Administration, division of emergency education projects, \$24,500,000; Public Works Administration, construction and repair of schools, \$74,000,000; Citizens' Conservation Corps, education program for youth in camps, \$817,000; and Civil Works Administration, repair and alteration of school buildings, \$60,000,000. The Federal Subsistence Home-steads Corporation and the Federal Housing Corporation are also assisting with projects for school buildings, nursery schools, and playgrounds. The Reconstruction Finance Corporation may make loans to pay teachers' salaries due prior to June 1, 1934, from a fund of \$75,000,000, but only one loan, of \$23,000,000 to Chicago, has been made. Many applications have been received, but it is stated that only rarely have school districts been able to offer the "full and adequate security" required by law.

The types of emergency education projects under the FERA include emergency nursery schools, adult vocational training, adult vocational rehabilitation, adult illiteracy, and general adult education.

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**New Jersey As An Example of Changing Relief Problems.**—Emergency relief continues to be the chief problem of government in New Jersey, and has increased in scope in its third year. Administrative efficiency constitutes the objective of 1934 legislation transferring the functions of a single director of relief to an administrative council. The administrative policy determined by this body is put into operation by an executive director assisted by five departments, specialization in which is reflected in sixteen divisions.

During the year an increasing number of volunteer workers were replaced by trained paid workers. Demand for skilled case work-

ers as home visitors continued to exceed the available supply, and to meet this need the Emergency Relief Administration is now offering at various centers both elementary and advanced courses in training for this recently expanded form of public service.

Total number of relief administration employees rose from 1,489 to 4,727 during the year, half the increase being registered in municipal districts. The monthly cost of administering relief leaped from \$130,000 to \$408,000. The relief load increased from 68,000 families to 130,000. The year-end figure, which represents 504,000 persons, constitutes a record to date, even exceeding the distress registered in March 1933.

The monthly relief cost of \$4.18 per family and 94 cents per person in September 1932 has mounted to a monthly average of \$22.35 per family and \$5.66 per person during the third year.

Modification and classification of many items of relief have been realized, and two new items were added during the year. Dental service is now available to relief clients. Cash relief for those clients who participate in the work program or who are excused because of physical handicap or infirmity was inaugurated July 1, 1934. In four months this item reached 6 per cent of the total annual relief expenditures, and bids fair to further replace the food order. Work programs have been extended over a wider range.

Financed largely by purely private agencies and community chests at the beginning of the depression, emergency relief received special recognition as a function of municipalities in legislation of 1931, which "enabled" them to finance the extraordinary demands occasioned by the crisis. From a 65 per cent contribution to relief costs in December 1931 municipalities fell to a 25 per cent performance the following September; at this time 131 municipalities acknowledged inability to make any contribution at all, and their entire burden fell on the state. In the whole period of public financing to June 1934, municipalities contributed 22.1 per cent; their low was reached in November 1933 with 4.9, but a rally in April following brought them to 8.4 per cent of total expenditure.

Of the second-year expenditure of 24 million dollars, the local contribution was 15 per cent, the state 60 per cent, and the federal

25 per cent. Of the third-year total of 44 millions, the local contribution was 6, the state 19, and federal 75 per cent. In eighteen months federal contributions to relief in New Jersey have shot from zero to 75 per cent. An announcement that federal help will be withheld if New Jersey fails to raise some \$2,000,000 a month for relief actuates the governor's present proposal for sales-income tax legislation.

JOHN J. GEORGE

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COUNTY AND TOWNSHIP  
GOVERNMENT

*Edited by Paul W. Wager*

**Two More Counties Move Toward Manager Plan.**—The Kern County, California, board of freeholders elected in November, 1934, has completed its work in preparing a county-manager charter to be submitted to a vote of the people during the next month or two, while the grand jury of the Superior Court of Hall County, Georgia, by a vote of thirteen to nine, has recommended that the county-manager plan be adopted and that a well-trained non-resident be appointed as manager, according to the International City Managers' Association.

H. M. O.

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**Ohio—Optional County Legislation.**—The Commission on County Government has submitted to the Ohio legislature a series of ten bills embodying its principal recommendations as to county reorganization. In drafting its measures the Commission has sought to make possible both complete and partial reorganization. The major bill authorizes three optional plans of county government, subject to adoption by the local electorate. These are: (1) the county manager plan, (2) the elective executive plan, and (3) what is called the appointive executive plan. The elective executive plan provides for the election of both the board of county commissioners and the county executive, who has the appointment of other administrative officers. The appointive executive plan differs from the manager plan only in that department heads are appointed and removed by the county commissioners on the recommendation of the

executive rather than by the executive on his own initiative. In general, this plan resembles the "executive plan" in Virginia and the form of organization long employed by Ohio school districts.

Under each plan the method of nomination and election and the size of the board of county commissioners are left to local determination. Nominations may be made by non-partisan primary, petition, or party primary, as the county prefers, and the membership of the county board may vary from three to nine, depending on the population of the county. Five departments are provided under each plan—finance, public works, welfare, law enforcement, and records and court service; but the county commissioners may combine departments or create new ones, according to local needs. In counties of less than 50,000 population the county executive is required to serve as the head of a department except under the elective executive plan. The prosecuting attorney, who is included in the department of law enforcement, may be chosen either by appointment or election. All other departmental officers are appointive.

Other bills open the way for piecemeal reorganization in counties which are not ready for the adoption of a complete new form of government. These bills permit the combination of the offices of auditor (actually an accountant and assessor rather than an auditor) and treasurer, the concentration of welfare activities in a single department, the establishment of centralized purchasing, and the substitution of an appointive medical examiner for the elective coroner.

To facilitate reorganization in the large urban counties, legislation has been introduced permitting townships and municipalities voluntarily to transfer activities to the county or to contract with it for service. Another measure extends the powers of counties which adopt charters by enabling them to take over health administration and poor relief work for the entire county area.

At the time of writing, it is impossible to forecast the action of the legislature with reference to these measures. In the large counties and among business men throughout the state sentiment favors reorganization, but a great deal of education is still necessary in rural territory. In the lower house the rural counties have the majority. Whether it will



be possible to overcome the combination of rural inertia and the opposition of courthouse officials remains to be seen.

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#### Minnesota—Dissolution of Townships.—

Organized townships, legally called towns in Minnesota, may be dissolved in several different ways. Prior to 1929, in addition to the possibility of court action against towns not legally organized, towns could be dissolved by the county board in cases where they had not functioned for a number of years. At about that time and later the decline of population, industry, and wealth in some of the cut-over regions in the northern part of the state, the serious increase of tax delinquency, and the impact of the depression, forced residents of the northern counties to think about simplifying local government as a means of tax relief. As a result, each of the last three regular legislative sessions has been marked by the enactment of new laws authorizing the dissolution of town governments.

An act of 1929 (ch. 345) authorized the abolition of towns in a certain county by popular vote. The vote taken was unsuccessful. In 1931 another act (ch. 96) authorized a vote in any town on the question of dissolution, but left the final decision to the county board. Six towns in three different counties seem to have dissolved under this act.

By 1933 the tax delinquency situation was desperate in certain northern counties. In six counties, on January 1, 1933, over 50 per cent of the 1931 property taxes (payable in 1932) was delinquent, and in a number of others 30 or 40 per cent was delinquent. The 1933 legislature authorized the county board to dissolve any town in which tax delinquency exceeded 70 per cent (ch. 235) and it also enacted that "Whenever the assessed valuation of any duly organized civil township drops to less than \$50,000, or whenever the tax delinquency of any such township amounts to 50 per cent of its assessed valuation, or where the state has acquired title to 50 per cent of the real estate of such township, . . . the county board by resolution *shall* declare any such township, naming the same, duly dissolved and no longer entitled

to exercise any of the powers or functions of an organized township." (ch. 377).

This act seemed to impose a duty on the county board in certain cases, but in fact local resistance, the unwillingness of the county boards to take an unpopular action, and other factors, have combined to prevent the operation of the law as apparently intended. According to reports received, only six of about a dozen counties which might have acted under the law have done so. Of the six, only one (Lake of the Woods county) has dissolved all its organized towns, twenty-nine in all. The other five have dissolved from one to seven each, a total of twenty-four.

Altogether there have been fifty-nine dissolutions since 1930, the number of townships thereby being reduced by three per cent from the 1930 total of 1973. Although this reduction is not large, and Minnesota still has more organized towns than any other state in the Union, it is important because for the first time the trend in numbers has turned downward. Financial distress has made necessary a course of action which persuasion alone was unable to bring to pass.

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#### Colorado—Denver: An Example of City-County Consolidation.—

With the modern trend toward consolidation of local units of government Denver city and county consolidation has attracted much attention.

Denver was before 1902 the county seat of Arapahoe County. It had its own city government and that the traditional mayor-council form. An amendment to the state constitution in 1902 consolidated the city and county of Denver, permitted the abolishment of duplicating offices, and established home rule, but an adverse decision of the supreme court ended the merger. In 1911 the court reversed its decision, and in 1916 the present arrangement of city-county consolidation was completed.

This provided for the election of a mayor for a term of four years and a council of nine members elected by districts for a term of two years. The mayor has in his appointive cabinet four managers of departments: improvements and parks, revenue, health and charity, and safety and excise (fire and

police). The cabinet also includes the city attorney and the commissioner of supplies (the purchasing agent). In addition, the auditor, who is elected, usually attends the cabinet meetings. The mayor also appoints a number of boards. The council has full legislative power, with the mayor possessing a suspensive veto.

The statutes of Colorado provide for the election of the following county officers: three commissioners, a clerk and recorder, sheriff, treasurer, assessor, coroner, surveyor, superintendent of schools, county judge, justices of the peace, and constables. With the consolidation of the city and county of Denver the county offices and functions were merged with those of the city.

The functions of the county commissioners were taken over by several different agencies. The commissioners' function as a board of equalization was taken over by the president of the city council, the manager of revenue, and the manager of improvements and parks. The manager of health and charity took over the supervision of the Denver General Hospital, the Denver Farm, and the care of the poor. The supervision of roads and bridges was given the manager of improvements and parks; and the care of public buildings, formerly belonging to the county, was passed to the commissioner of supplies. All the functions of the county commissioners, in this manner, were completely absorbed by the city government.

The functions of the county clerk and recorder were absorbed by the city clerk and recorder. The county treasurer and county assessor were transferred to positions under the manager of revenue. The functions of the county sheriff were transferred to the manager of safety and excise. The office, however, was retained and given a subordinate position under the department of safety and excise. The functions of the county coroner were taken over by the manager of health and charity.

Under the consolidation plan, the county superintendent of schools, county surveyor, and county attorney are appointed by the mayor and perform duties similar to those usually performed by county officers of the same title.

The courts of record set up by statute are not affected by the consolidation. The jus-

tices of the county and juvenile courts and the six district judges remain elective. The district attorney also remains an elective officer and his duties are the same as before. The work of the three justices of the peace was passed to two justices of the peace and a municipal judge appointed by the mayor.

Under the present city-county government the administration is highly centralized. However, the people elect their school board, election commission, civil service commission, and auditor in addition to the council and the courts mentioned above. They have an additional check on the government through initiative, referendum, and recall.

There is little doubt but that city-county consolidation in Denver is one of the most successful in the country. The success is in no small degree due, however, to the fact that the boundaries of the city were extended to insure growth for many years to come. This extension was made possible because there were no sizeable municipalities near Denver to contest it. Denver has had a comparatively clean political record since consolidation and has had as able an administration as can be found in any American city.

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**California—Local Government Proposals before the Legislature.**—Efficient and economical administration in local government is the purpose of a number of bills and constitutional amendments introduced in the present session of the California legislature. The following paragraphs present a summary of some of the new proposals.

*State Commission to Coördinate Activities*

The creation of a state commission to coördinate activities among the local governments and with the state is provided for in a bill now before the assembly committee on governmental efficiency and economy. The commission, which would serve without compensation, is to be composed of the governor, the director of finance, state controller, legislative counsel, director of the bureau of public administration of the University of California, all ex officio; and one representative of each of the various state associations of local public officials. It is further provided that all findings and recommendations of the commis-



sion should be reported to the governor and the legislature at the end of 1936. (A. B. 234)

#### *Functions*

County boards of supervisors would be empowered to contract with cities and towns to perform any functions for a term not longer than five years, but with the privilege of renewal, according to an assembly bill. (A. B. 771, 963). A proposed constitutional amendment authorizes the legislature to provide by general laws for the performance by county officers of the assessment and collection of taxes for cities, chartered or unchartered, and districts. (A. C. A. 57)

#### *County and City and County Consolidation*

Several county and city and county consolidation bills and constitutional amendments await committee action. One assembly measure would establish a county consolidation commission to study this subject and to report at each regular legislative session. (A. B. 15) Another bill requires the board of supervisors to call a special election for the consolidation of contiguous counties on the petition of one-quarter of the qualified electors of any county. (A. B. 993 partial skeleton)

A proposed constitutional amendment directly abolishing the existing fifty-eight counties and providing for eleven after July 1, 1938, enables the legislature prior to that date, however, to designate not more than nine more counties by law. The legislature must determine boundaries and county seats of all counties. The amendment would abolish all consolidated city and county governments. (A. C. A. 23) Two amendments propose to empower the legislature to provide by general law for the consolidation of two or more contiguous counties or cities and counties when authorized by a majority vote of the people of the territory involved. (A. C. A. 1, 8) Another amendment establishes machinery for the voluntary consolidation of counties and the framing of charters for counties formed by that consolidation. It provides that the board of fifteen freeholders shall be elected by the qualified electors of all the counties concerned, by a system of proportional representation to be designated in the ordinances or the petition in pursuance of which the board is to be elected. The proposed charter will not be deemed ratified unless a majority of the qualified electors of

each county involved vote in its favor. (A. C. A. 60) The purpose of another assembly amendment is to strike out the present restriction on city and county consolidation limiting consolidation to those counties with at least 200,000 population in 1910. (A. C. A. 3)

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### TAXATION AND GOVERNMENT

*Edited by Wade S. Smith*

**Tax Delinquency Survey for Detroit's Second Ward.**—Apartment houses present the most serious tax delinquency problem, according to a study by Miss Virginia L. Eyre, just published by the Detroit Bureau of Governmental Research. Utilizing Detroit's second ward, a representative district of high type improved property, the study revealed that the average delinquency for the ward was about 30 per cent of the current tax levy for 1932. Office buildings had a delinquency of only 9 per cent, residential property had an average delinquency of about 35 per cent, while apartment houses showed an average delinquency of 76 per cent, more than twice the average for the entire ward.

The study shows also that tax delinquency increased by fairly regular increments from a starting point of about 5 per cent in 1925 to 12 per cent in 1929. Had this trend been projected through 1933, it would have predicated a delinquency of 20 per cent for that year, instead of the 40 per cent delinquency which actually occurred. The study concludes that about half of the heavy tax delinquency of the past few years would have happened anyway, and was not born of the depression as popularly supposed.

The analysis showed that apartment house delinquency has always been out of proportion with the average delinquency in the ward. In 1926, it was seven times the average; in 1929, slightly more than twice the average. The apartments have consistently shown a delinquency of about 25 per cent.

Location, age, and size had no relationship to delinquency, or only a slight relationship. Where the land value was less than 20 per cent and over 200 per cent of the building

valuation, tax delinquencies were high. However, the only factor which appears to have any influence on tax delinquency is the method of financing. Apartment houses on which no mortgages were recorded showed the best taxpaying records. The worst records were those of properties on which the mortgages were under foreclosure—properties which are often “milked”. In 1931 and 1932 such properties had a delinquency of over 90 per cent. Privately managed apartments also showed a better taxpaying position than did those under the management of operating companies, the records for 1932 being 69 per cent delinquency for the former and 75 per cent for the latter.

Significant among the disclosures of the study was the fact that, though an “average” apartment house without mortgage payments could pay all taxes and still show a profit, deduction of mortgage charges for principal and interest would not provide for operation and taxes—even if the principal payments were eliminated entirely and the interest rate cut in half. Among the legislative measures proposed to remedy this situation was proposed the tax receivership law, similar to statutes operating satisfactorily in Illinois, New Jersey, and Ohio.

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#### Current Tax Collections Pick Up.—

The results of a nation-wide survey of tax collections covering reports from 106 cities throughout the United States, compiled by Mr. Frank H. Morse of Lehman Brothers, New York, show that there has been a definite improvement in tax collections in 1934 over 1933.

Questionnaires were sent to the finance officers of the principal cities in each section of the country, and 106 replies were received. Of the 106 cities which reported, 82, or 77.3 per cent, showed an improvement in 1934 collections over those of 1933, as against 24 cities, or 22.7 per cent which reported a decrease in 1934 collections.

No section of the country failed to show an improvement. The mountain and Pacific coast cities showed the greatest number reporting an improvement—fourteen cities, as against one city which reported a decrease. Of the Middle Atlantic states, New York stood out with twelve municipalities report-

ing improvement in 1934 and no cities reporting a decrease. New Jersey municipalities also showed a definite reversal in trend over 1933, six cities reporting improved collections in 1934, as against one city reporting no improvement.

Distribution of the cities by sections follows:

	Number Cities Reporting Improvement	Number Cities Reporting No Improvement
New England .....	9	6
Middle Atlantic .....	27	3
South Atlantic .....	9	2
Mountain and Pacific ....	14	1
East South Central .....	5	2
West South Central .....	7	1
East North Central .....	6	5
West North Central .....	5	4
	—	—
Total .....	82	24
Per cent of total .....	77.3	22.7

“It is clear that the pick-up in collections has not been confined to any one group of states in any principal section, but, on the other hand, the improvement has been country-wide,” writes Mr. Morse in reviewing the survey. “While the spread in percentages is not great, it has been generally upwards. It can be stated that as a result of the survey, the conclusion has been reached that the definitely downward trend in collections which characterized the three previous years has now been reversed.”

Sixty-one of the city officials answered a question designed to discover the reasons attributed to the improved collections. Thirty-six attributed the improvement in some degree to the Home Owners Loan Corporation; twenty-three credited the improvement in general business conditions for the increase; a similar number placed importance on strict enforcement of tax collections; five officials thought payment of taxes in installments was a major reason; while reduction of taxes, opening of closed banks, relief disbursements of the Federal government, and improved attitudes on the part of taxpayers were among the “also rans”.

**Saskatoon Begins Year Tax Campaign.**—A unique "Tax Payment Campaign" has been undertaken by the Board of Trade of Saskatoon, Sask., in coöperation with the city administration. Begun during February, the campaign will resume operations in July prior to the due date for current tax collections, and then will wind up with an intensive drive in the closing days of the year. Some sixteen committees have been set up, the majority of them dealing with publicity in one form or another. The response on the part of the public has been immediate and sympathetic.

Mr. B. P. Scull, general secretary of the Board of Trade, advises us that collections on current taxes for the year up to March 11 totaled \$291,655, as compared with \$129,875 at the same date last year. Some \$103,216 in tax arrears have been collected to date this year, as against \$51,988 at the same time last year.

In the publicity the savings to the taxpayer by early payment of taxes have been stressed and the services which the citizen receives for his tax dollar have been outlined. In advertisements citizens have been urged to budget for their taxes and to pay any amount they can in monthly or semi-monthly installments. This effort to spread tax payments voluntarily over the entire year seems to be meeting with considerable success, according to the Board of Trade's first report.

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**Final Report on Buffalo Tax Drive.**—The "Pay Your Back Taxes" campaign conducted by the city of Buffalo in October 1934 liquidated one-half of the city's delinquent taxes due on August 1 of that year and relieved the taxpayers of many tax worries. The campaign plans were drafted by and materialized in the hands of the Taxation Committee of the Buffalo Junior Chamber of Commerce in coöperation with Mayor Zimmermann and City Treasurer Hoban.

The total of back taxes was \$6,183,327.03, of which it was estimated that at least \$300,000 was uncollectible. During the campaign \$1,700,000 in back taxes was paid in cash and \$1,200,000 pledged on the installment plan, one item dating back to the year 1855.

Two plans were offered the property owner by the city for the payment of back taxes—

the *cash* and the *installment* plan. Briefly the cash plan provided that those whose tax certificates were held by the city could pay the original amount of levy plus 6 per cent interest, if the first half of the current 1934-5 taxes were paid at the same time. The installment plan permitted the payment of back taxes in five equal annual installments. The penalties and interest would be compromised at 50 per cent when final payment was made if all city taxes then due were paid. No foreclosure proceedings for such back taxes would be instituted by the city if installment payments were made on time.

The campaign procedure may be summarized as follows:

1. A survey was made of tax delinquency and methods employed to meet the situation in other cities.

2. Those delinquents owing over \$1,000 and those owing less than that amount were classed into two groups.

3. A letter advising of the tax payment plans was sent to all delinquents by the president of the Junior Chamber of Commerce.

4. Those owing over \$1,000 were personally interviewed by members of the Junior Chamber of Commerce.

5. The advantages of the cash payment plan to a mortgagee were pointed out to all banks and insurance companies. If the mortgagee would protect a particular investment on foreclosure, by purchase, all penalties and 50 per cent interest could be saved by loaning the mortgagor the cash required for payment of back taxes.

6. The publicity program included radio talks by prominent citizens, frequent press releases, newspaper advertisements and window displays.

The property owners of Buffalo are now tax-minded. The campaign made an attempt to show the taxpayer that it was to his advantage to pay back taxes up and to keep current taxes paid on time. During the first half of the current year current tax collections exceeded the same period for the year prior by \$3,000,000.

The campaign was considered a success by the mayor and city officials. City Treasurer Hoban in a statement to the press credited the Junior Chamber of Commerce with



"selling" the tax plan to Buffalo and enabling the administration to put it over.

DENTON A. FULLER, JR.,  
*Chairman, Taxation Committee*  
*Junior Chamber of Commerce*

Buffalo, N. Y.

### PROPORTIONAL REPRESENTATION

*Edited by George H. Hallett, Jr.*

#### Wheeling to Vote on P. R. This Month.—

While students of city government were speculating as to whether New York, Philadelphia, or Pittsburgh would be the first city to follow Toledo in the adoption of proportional representation, the West Virginia legislature quietly passed a bill submitting to the voters of Wheeling on April 18 a new charter including P. R. and the city manager plan.

The proposed charter is patterned largely after the charter of Cincinnati and its P. R. provisions are copied from those of Cincinnati nearly word for word. If the charter is adopted nine councilmen are to be elected together by P. R. from the city at large for terms of four years. The first P. R. election is not to be held, however, until the fourth Thursday in May, 1939. The council then elected is to take office July 1, 1939, and proceed to elect a mayor from its own number as ceremonial head of the city and appoint a city manager for an indefinite term, subject to removal by the council.

A vigorous campaign for adoption is being conducted under the leadership of the Wheeling Association.

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#### Six Bills in the Pennsylvania Legislature.

—To carry out the plans reported in last month's issue to make P. R. and the city manager plan available for Pennsylvania municipalities six bills are now before the Pennsylvania legislature:

Senate No. 476 by Senator George Woodward of Philadelphia, independent Republican, to grant a vote this year on a new P. R. manager charter for Philadelphia

Senate No. 237 by Senator Frank J. Harris of Pittsburgh, independent Republican, to make the manager plan with P. R. optional for Pittsburgh

Assembly No. 1144 by Assemblyman John E. McElroy of McKeesport, Democrat, to make P. R. optional for third-class

cities (all cities except Philadelphia, Pittsburgh, and Scranton)

Assembly No. 932 by Assemblyman Hiram G. Andrews of Johnstown, Independent, to make the city manager plan optional for third-class cities

Assembly No. 946 by Assemblyman John L. Powers of Pittsburgh, Democrat, to make P. R. optional for boroughs

Assembly No. 943 by Assemblyman Powers to make the manager plan optional for boroughs by petition and popular vote. It is already optional by ordinance.

All of these bills make the changes provided available by petition and popular vote. In addition the Woodward bill provides for a vote at the coming fall primary or at a special election if one is called earlier for another purpose (a vote on a constitutional convention is being considered for this spring).

To the support of this Philadelphia bill, whose counterparts in the last two legislatures were endorsed by organizations totaling a quarter of a million members, there has recently been added the endorsement of a small but highly respected group of civic leaders, the Philadelphia Committee on Public Affairs, of which former Public Service Commissioner Harold Evans is chairman.

The Pittsburgh *Post-Gazette* recently concluded a straw vote on the Harris bill for Pittsburgh by postcards sent to all sections of the city. The result was 10,564 votes for the bill to 5,982 against it. There was a substantial favorable majority in every part of the city.

As this issue goes to press the legislature is still preoccupied with taxation and relief matters, but there seems every prospect that the P. R.-manager bills will be seriously considered. The Pittsburgh campaign is being conducted by a representative local committee organized by the Civic Club of Allegheny County. The legislative work for all the other bills is being directed by Thomas J. Walker, secretary of the Philadelphia City Charter Committee, the Philadelphia Committee of Seventy, and the Pennsylvania Elections Association.

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#### Cleveland Charter Amendments.—To

carry out his proposal to bring back the manager plan mentioned (with one inaccuracy) in last month's issue, Alexander De Maioribus, president of the Cleveland council, has in-

troduced two alternative charter amendments; Councilman Herman Kohen has introduced a third which most civic leaders regard as superior. These three amendments are described as follows in the March 7 issue of *Greater Cleveland*, organ of the Cleveland Citizens League:

Three charter amendments are before the city council proposing to substitute for the present seriously defective mayor-council charter, one of the city manager type.

All three of the proposals are practically identical, except in the size and method of electing the members of the council. All three copy the major provisions of the city manager charter of 1921.

Charter amendment No. 1 provides for nomination by petition, and election from each of four districts, into which the city is divided, of seventeen council members (three to five from each district), for four-year terms, by the method of proportional representation. The districts would have the same boundaries as were provided in the 1921 charter, but the number of members proposed is eight less than under the 1921 charter.

Charter amendment No. 2 provides for designation by petition, nomination at a run-off nonpartisan primary of double the number to be elected, and the election of seventeen members for four-year terms from the four districts as outlined in amendment No. 1: three to five members from each district.

Charter amendment No. 3 provides for nomination by petition, and the election-at-large of fifteen councilmen for four-year terms by the proportional representation method. . . .

The first two amendments are sponsored by Councilman DeMaioribus and the third one by Councilman Kohen. . . .

The general opinion is that no one of them will satisfy a majority of the members of the council, and that no amendment is likely to be agreed upon by council members for submission to a vote this year, at least not in time to have council members elected in November.

A hearing on the DeMaioribus bills was held in February. At this hearing the League of Women Voters reaffirmed its conviction "that the interests of the entire city will be best served by a council of nine, elected at large by P. R." Speaking in support of this proposal Mrs. B. F. McQuate said (as reported in *The Voter*, published by the League of Women Voters of Cuyahoga County, March 1935):

You will perhaps be interested also to hear the results of a questionnaire which the League sent to voting residents of Cleveland last fall, asking their opinions about the size and manner of election of the city council:

77 per cent of those replying favored a small council, elected at large.

23 per cent of those replying opposed a small council.

61 per cent of those replying favored P. R.

39 per cent of those replying opposed P. R.

It may be significant to you to know that 77 per cent of those replying to the questionnaire expressed themselves as being completely dissatisfied with our present type of city government.

It seems to the League that nervousness about P. R. is, to a large extent, imaginary, fostered purposely by political parties for the most part. As a matter of fact, P. R. is the best system that has yet been devised to give minorities representation and at the same time to give due regard to the strength of the majority.

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**Hearing on P. R. for Boston.**—On March 5 a hearing was held in the Massachusetts legislature on the bill to carry out a recommendation of last year's Boston charter commission by making P. R. optional for Boston. The hearing was thus described by Forrest P. Hull in the *Boston Evening Transcript* of that day:

Would the method of proportional representation in elections, as used in the Irish Free State and in several American cities, notably Cincinnati, improve the quality of the Boston city government? Moreover, would the electorate know how to apply it without years of education? Several speakers spoke enthusiastically in the affirmative on this question, and none in the negative, before the legislative committee on cities today. It was the first time that so radical a change in voting had not been opposed in public assembly here.

Proportional representation was recommended in the report of the Boston Charter Commission last year. Today there appeared before the committee one of the foremost advocates of this system in the United States, Walter J. Millard of Cincinnati, O., who told how well the system operates in Cincinnati, with its remarkably low tax rate and a yearly treasury surplus. When he had concluded, a dramatic touch was added by Captain Frank M. Doyle of West Roxbury, who declared that official Boston is a "cesspool"

and that conditions are "beyond description".

Senator Henry Parkman, Jr., and Professor Louis J. Johnson appealed for a trial of the method under the bill prepared last year which provides for a referendum.

Senator Parkman characterized the present system of elections in Boston as "a fraud upon the electorate". The charter of 1909, he said, had not worked out as its proponents expected. It had allowed political manipulators to split up the voters and keep the people from making their actual choices. And the senator said he knew what he was talking about as he had run for mayor himself.

#### GOVERNMENTAL RESEARCH ASSOCIATION NOTES

*Edited by Robert M. Paige*

**The Ohio Institute.**— Outlining measures for the reorganization of county government and coöperation with state and federal authorities in the development of a public works program and for the establishing of a state planning board have been three recent major activities of The Ohio Institute.

The annual report of the Institute, recently published, points out that, after nearly a decade, during which time the Institute has taken a leading part in the movement for reorganization of county government in Ohio, the past year saw tangible results. At the close of 1933, then-Governor George White appointed the Commission on County Government whose function was to formulate plans for carrying into effect the county home rule amendment to the state constitution which was passed in November of that year. With Mr. Charles P. Taft 2nd of Cincinnati as its chairman and Mr. R. C. Atkinson of the Institute as its secretary, the commission made a thorough study of reorganization, issued a comprehensive report, and drafted the recommended legislation. The Institute served as headquarters for the commission and its staff members conducted a considerable part of the research.

In February 1934, at the instance of federal authorities, the governor appointed a state planning board to undertake preliminary studies looking toward the preparation of a state plan of development. A preliminary report containing extensive basic information

and maps was submitted to the Governor and to the National Planning Board (now the National Resources Board) in August 1934. Since that time several specific studies have been carried on dealing with the organization of state recreational and conservational activities, the uses of land and water resources, the planning of school buildings, etc. It is expected that the planning board will be made a permanent part of the state government, acting in an advisory capacity to the governor, the general assembly, and local authorities. Two of the Institute's trustees were appointed members of the board, one of them being chairman, and the director, Mr. R. E. Miles, was appointed secretary and associate consultant.

In February of this year Governor Martin L. Davey launched an efficiency survey and "borrowed" Cincinnati's former city manager, Colonel C. O. Sherrill, to direct the activities of a group of specialists, loaned by business and industry in the state, in surveying the operations of the state governmental departments. The survey is studying the functions of the various departments to learn whether they can be carried on more efficiently and at less cost. Mr. Miles is at present general advisor to Colonel Sherrill.

The Institute recently resumed publication of *The Ohio Citizen*, its official bulletin, after a period of suspension. The first issue, dated March 20, gives a condensed summary of state finances for 1934, analyzing for popular reading significant figures in the state's annual financial report.

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**Bureau of Municipal Research of the University of Texas.**— Two studies of an intensely practical nature have recently been published by the Bureau. One is "A Budget Manual for Texas Cities," the other, "A Manual of Tax Collection Procedure".

The budget manual was prepared by Roscoe C. Martin, associate professor of government and director of the Bureau. A representative sample consisting of 10 per cent of the 580 incorporated towns and cities of the state was selected and budget procedures in each were studied, and on the basis of the facts revealed a detailed statement of recommended procedures, illustrated by numerous exhibits, was drawn up.

The "Texas Uniform Budget Law," appli-



cable to all governmental units of the state, was enacted in 1931. This law required every unit to file their budgets with the state comptroller, but of the 580 cities and villages only 229 have ever observed this legal requirement. In December 1934 only sixty-three cities had placed their 1934-35 budgets on file. Of the fifty-eight cities selected as a sample for intensive study only two had filed their budgets for each of the four years the law has been in effect. The ineffectiveness of the state budget law is due in part to the fact that city officials have had no source to which they might turn for information and aid in working out budget problems. The budget manual is expected to serve, to some extent at least, as such a source of information and assistance.

The "Manual of Tax Collection Procedure" is also designed as a practical guide book for municipal officials. The procedures for collecting current and delinquent taxes are discussed in separate chapters. The chapter on special devices for tax collection discusses the experience of Texas cities with such methods as allowing delinquents to work out their tax bills, publication of names of delinquents, use of cartoons, reports of city services rendered and other publicity, and tax payment campaigns.

The Bureau of Municipal Research was organized by the University at the request of the League of Texas Municipalities, which during the past year moved its headquarters to Austin, the state capital and the seat of the University.

In the preparation of the two manuals the League's secretary, Mr. E. E. McAdams, former city manager of Waco, Texas, and other officers of the League and of the affiliated Finance Officers' Association, coöperated closely with the Bureau's staff. A third municipal study, entitled "A Revenue System for Texas Cities," is now in preparation.

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**Cleveland Foundation.**—The Foundation published on January 28 a comprehensive report on the debt problem of Cuyahoga County and its political subdivisions. The outstanding funded debt of the governments in this metropolitan area on January 1, 1934, was \$276,202,786, exclusive of the special assessment debt which was 80 per cent of this amount. In Cleveland the per capita funded debt amounted to \$136. Several of the smaller

cities of the county had higher per capita debts, the highest per capita debt, \$502, being in Maple Heights. The total funded debt consists of the sum of the debts of the county government, twelve cities, thirty-four villages, three townships, twelve city school districts, nineteen village school districts, three library districts, and the metropolitan park board, a total of 85 jurisdictions. As of January 1, 1934, three townships, eight villages, three village school districts, and four library districts, a total of eighteen, had no outstanding funded debt.

The Foundation's report analyzes the debts of each of the 85 indebted jurisdictions and plots the annual debt requirements of the county, city of Cleveland, Cleveland school district, and Cleveland library district. The statutory debt limits applicable to each of the governments within the county are presented in detail and a tabulation shows the "leeway" or power to incur additional debt within these limits of each jurisdiction.

The study reveals that although the debt now outstanding will not be entirely liquidated for 37 years, more than half (about 55 per cent) matures within the next seven years. Refunding to spread this peak load seems to be both necessary and desirable, and the report discusses the three methods provided by state and federal law for carrying out refunding operations.

The finances of Cuyahoga County and the city of Cleveland have been critical for a number of years but on February 19, 1935, at a special election, voters gave their permission to an additional tax levy of 3.2 mills for county welfare purposes and 4.4 mills for city operations. These two additional levies are for one year only but it is estimated that they will yield \$4,840,000 and \$4,517,000 respectively, and materially improve the financial conditions of both city and county.

Leyton E. Carter, director of the Foundation, was the author of this study.

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**New Jersey Taxpayers Association.**—An analysis of tax rates now in effect in the 564 municipalities of New Jersey has just been completed. This analysis shows, in dollars per hundred dollars of assessed valuation, the average tax rates for all purposes during the years 1926 to 1934, the average rates for all local purposes during this same period,

and the 1934 and 1926 rates. In 1926, 90 per cent of the 564 municipalities had rates in excess of \$3, and relatively high tax rates have been maintained throughout the past eight years. A bill is now before the New Jersey legislature proposing a maximum tax rate for all purposes other than the state tax levy of \$2.50. In 1934, 92.8 per cent of the municipalities of the state had rates in excess of this amount. The adoption of such a limit would therefore necessitate severe retrenchments or sharp increases in assessed valuations.

Another study recently released dealt with the per capita net bonded indebtedness in 1931 of cities over 30,000 in population. This discloses that the average per capita debt for twenty-two cities in New Jersey was greater than in 86 per cent of the 309 cities in the United States over 30,000 in population. Only twenty-four cities had per capita debts in excess of \$200, but six of them were New Jersey cities, including Atlantic City with the highest per capita debt in the country.

Two studies have been made to compare tax rates and tax levies in manager cities with those in cities operating under some other form of government. Both tax rates and per capita tax levies seem to be slightly lower in the manager cities.

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#### **Boston Municipal Research Bureau.—**

For the third successive year the Bureau has issued an analysis of Boston's finances and financial problems for the current year. The recently published report shows a very slight decrease in the cost of government since 1931, and heavy decreases in current revenues, and assessed values, and sharp increases in funded debt and tax rates. The finances of Boston as of any large city are complicated but the Bureau's report enables the citizen to wade through masses of figures and to grasp their significance.

Boston's expenditures are higher on a per capita basis than those of any other city over 500,000. The reasons for this are not entirely clear but the fact seems to be established beyond dispute. Boston also has the highest adjusted tax rate of any of the thirteen cities in this group.

In discussing school appropriations the Bureau points out that the school board must observe nine separate statutory tax limits when formulating the school budget. Although the mayor can veto this budget he rarely

does so and if he did the school board could pass the budget over his veto by a four out of five vote. The relative importance of the school budget is clear from the fact that last year school maintenance appropriations totaled about 15 millions of dollars, whereas maintenance for the city government proper, exclusive of public welfare costs, totaled about 26 millions.

Although the Bureau does not make detailed recommendations for reducing school costs it does point out that the nine separate tax limits should be consolidated into one limit as multiple limits confuse those seeking to understand school finance, some of the limits are over-generous, and the segregation of accounts prevents flexible management of school funds. The decline in total school enrollment, and particularly the steady decline in elementary school enrollment since 1926, would seem to indicate that careful planning for the future is necessary. In this connection the Bureau points out that the school authorities have not yet taken full advantage of the report of the school survey committee presented in 1930 and the survey of administrative methods made by the Finance Commission in 1931.

For the city government proper the Bureau recommends:

1. The adoption of the recommendations of such major surveys as those of the city hospital (made by Finance Commission), of the health department (made by a special mayor's committee), and of the fire department (made by the Bureau).
2. Centralized budgetary control and a budget allotment system to prevent departmental over-spending.
3. Continued emphasis on reducing relief costs, including maximum use of FERA grants.
4. Reorganization and consolidation of departments.
5. Centralized personnel control.
6. Shifting positions to avoid unnecessary appointments as vacancies occur.
7. Elimination of unnecessary employees.
8. Curtailment of least essential services.
9. Full utilization of FERA projects to reduce maintenance costs.

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#### **Kentucky Tax Reduction Association.—**

One of the laws approved by the Association and passed at the 1934 session of the general assembly was the county audit or inspection

law. Under this law for the first time in the history of the state, the income from fees paid to county is being checked by an official agency. Already many inspections have revealed instances of incomes from fees in excess of the \$5000 constitutional limit. As a result, substantial sums are being returned to local treasurers.

The present legislative program of the Association prepared for presentation to the general assembly when it convenes January 1, 1936, includes the following planks:

1. Unit plan of tax assessments for city and county whereby one tax assessor shall make all tax assessments within his county;

2. Provision for the assessment of real estate every two years instead of annually as at present;

3. Unit plan of tax collections, payable quarterly, for city, county, and school taxing districts whereby one tax collector in each county makes out one tax bill for each taxpayer, showing tax rate for each governmental unit separately and making the distribution after collection to each of these units;

4. Abolish the salary of county law librarian and provide that the county attorney shall serve ex officio as librarian;

5. Abolish the fee system of paying county officials and provide for their compensation on a salary basis, fixed by the fiscal court in each county within maximum and minimum limits fixed by legislature.

To develop public support for this program the Association has begun the publication of a printed monthly bulletin called *The Kentucky Taxpayer*.

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**Wisconsin Taxpayers Alliance.**—The semi-monthly bulletin of the Alliance, *The Wisconsin Taxpayer*, is now being published for the third year. During 1933, 1934, and the first three months of 1935, a great deal of valuable statistical data pertaining to state and local government in Wisconsin has been compiled by the Alliance and made available through the pages of this small "newspaper".

A recent issue disclosed the fact that the levy against property taxpayers in Wisconsin was slightly (about 1.6 per cent) higher in 1934 than in 1933, and contained a table showing for 142 cities the assessments, tax levies, and tax rates in 1933 and 1934. In Milwaukee the total 1934 levy was .9 per cent over that of 1933.

Analyzing the state's revenue sources the Alliance finds that the taxes paid by the public utilities of the state on the value of their property have declined from the peak year only 5.6 per cent—less than any other major tax. Personal net income taxes on the other hand have declined about 70 per cent from the peak in 1930, in spite of some increase in rates.

Other interesting and valuable tabulations published in recent issues of the periodical have dealt with unemployment relief expenses in Wisconsin, county expenditures—showing that per capita cost of county government is higher on the average in small counties; county zoning—nine Wisconsin counties have zoning ordinances in effect and twelve others are preparing zoning ordinances.

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**Los Angeles County Bureau of Efficiency.**—The Bureau has just released its annual report dealing with activities during the twelve months ending July 1, 1934. During this period, 241 reports were prepared as compared to 180 during the previous year. Work with the board of supervisors on the annual budget and the revised salary ordinance took a large portion of the staff's time. The survey of the county surveyor's department (see this section of the January REVIEW); the analysis of the cost of public and private janitorial service; and the actuarial study of the county peace officers' pension fund were three of the major studies of the Bureau. Other projects included a study of the questions involved in the taking over by the county of the maternity service rendered by the city; a study of the cost of county public health service to enable the board of supervisors to adopt an equitable and uniform policy in making contracts with cities of the county; and a study of the cost of providing medical care to indigents.

The report comments upon the successful operation of the first year of the so-called "internship" plan. This plan, which is being continued during the present year, provides for the selection of four college graduates who have specialized in public administration, one from each of the four large universities, and their appointment to the Bureau's staff for one year as "student investigators". All members of last year's class of "internes" have secured permanent positions outside of the Bureau of Efficiency.



# LETTERS TO THE EDITOR

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To the Editor of the REVIEW:

Recently I have noticed vigorous attacks on real estate tax limitation laws by various organizations of public officials. Some of these charge that "selfish land speculators" and "big interests" are responsible for these limitation proposals. They also charge that it is a "deliberate attempt to wreck public services".

It seems to me that these brusque attacks over-shoot the mark which a little deliberation might reveal. The facts that these real estate tax limitation proposals, no matter how impractical they may be, have been generally approved by the people when submitted to popular vote, indicates that they embody a certain principle which appeals to the large and small owner of real estate.

Possibly a solution to this problem might be worked out if the various organizations of public officials and others who object to tax limitation proposals, would devise some other plan of putting a check on real estate taxes which would accomplish the same purpose as the usual rigid constitutional tax limitation without imposing its acknowledged shortcomings. Most people will admit that it is not economically sound for real estate taxes to increase faster than the increase in the wealth of the community to a point where there is little or no marketable value in real estate, which is now the case in many communities. Real estate, whether in the form of a vacant lot held for investment purposes or the home of a working man, certainly should not be taxed to a point where it has no market value.

Naturally those who honestly see no necessity for tax limitation of any kind, would not be interested in a compromise proposal.

However, there are many public officials who do realize that there must be a reasonable check placed on real estate taxes. These people might be interested in working out some compromise solution.

Some have suggested that when voters elect public officials, they thereupon give the latter a mandate to impose whatever taxes they wish. There is some logic to this but for the fact that the bewildered voter learns that practically every public official during his election campaign, talks about tax reduction in generalities, but when he encounters the actual problem after election, he either acquiesces in or advocates tax increases apparently without remembering his past promises.

Others claim that real estate taxes can be held down by means of public tax budget hearings at which taxpayers may appear and protest increases. While this method should be a part of the local tax-levying procedure, it should not be relied on entirely as a tax-stabilizing device, in my opinion. Under this procedure, the objecting taxpayer is compelled to appeal to a tribunal which is already prejudiced in favor of its own figures. Another shortcoming to this method is that each of three or four taxing divisions in a city hold separate hearings which requires the interested taxpayer to turn out three or four times to attend the different hearings. Many taxpayers fear to attend such public hearings because it has happened that groups of public officials have combined to actually boycott the business of taxpayers who appear against the budgets.

Summing it up, would it not be possible to devise some general statutory principle applicable in every state which would prevent increases in real estate taxes from year to year faster than the increase in the actual wealth of the community measured by assessed values, private income, and other ascertainable yardsticks of community resources. This, after all, embodies the practice of private business which ordinarily cannot spend additional money except when its wealth and income is on the increase.

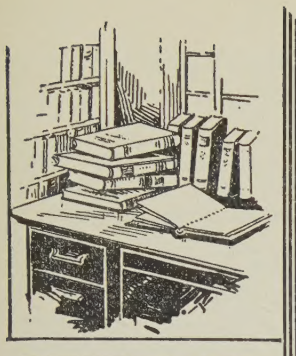
Therefore why can we not achieve our universally agreed-to objective of stabilized real estate taxes through concerted and coöperative action between public officials and real estate men, taxpayers leagues, and others in order to establish some workable statute which would prevent uncontrolled and continued mounting of realty taxes which rapidly is paralyzing this country's greatest tangible asset, its real estate and dwellings.

Very truly yours

BUREAU OF MUNICIPAL RESEARCH

By C. A. Crosser, Secretary

Des Moines, March 2, 1935



## RECENT BOOKS REVIEWED

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EDITED BY EDNA TRULL

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**Principles of Legislative Organization and Administration.** By W. F. Willoughby. Washington, The Brookings Institution, 1935. 657 pp. \$5.00.

Dr. Willoughby's latest volume completes a trilogy on problems of administrative organization. The first dealt with the administrative organization of the national government; the second with the judiciary; the present volume with the legislature. In many ways this is perhaps the most useful of the three for it deals with the least explored aspect of our political structure. Altogether there are not half a dozen existing comprehensive studies of the legislative process in this country; this volume fills a place all its own in the literature because it deals with insight and acumen not only with the specific problems of structure and composition, organization and procedure, but with some of the more general problems of the place and function of legislatures in the organism of the state.

The analysis is based upon the same careful and thorough collection of the basic facts and incisive appraisal of these facts which characterize Dr. Willoughby's previous studies. Not only is there a very large amount of data unavailable in so concise a form elsewhere, but his discussion of the problems of legislative practice is highly informative. It is impossible in a brief review more than to note some of his general conclusions; that the single-chamber legislature of a wieldy size is indispensable to an effective legislative process; that restrictions on frequency and duration of sessions militate against efficiency; that committees are now too large and lack coordination with the administrative branch of government; that a system of priority for legislation is essential to effective legislative pro-

grams; that the plethora of local and private bills should be eliminated from the legislative program and handled by other agencies; that legislative programs need to be thought out beforehand; and that "the merits attaching to responsible party government are largely lost (through) dominance by party bosses (which) takes the place of intelligent and patriotic leadership."

There is no material dealing with the legislative process in our city governments. Here is a fertile field for further exploration. Despite the almost total absence of printed records of city council proceedings, it would be a study of first rate significance in the conduct of local government if there could be applied to municipal legislatures the same criteria that Dr. Willoughby here has applied to our national and state legislatures.

PHILLIPS BRADLEY

Amherst College

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**Model Laws for Planning Cities, Counties, and States.** By Edward M. Bassett, Frank B. Williams, Alfred Bettman, and Robert Whitten. Cambridge, Harvard University Press, 1934. 137 pp. \$2.50.

This symposium by four authors, well known in the planning field, examines contemporary legislation and philosophies of planning, analyzes their shortcomings and presents new legislative forms to meet advances which have taken place during the past decade.

While these authorities are in agreement as to results to be obtained they differ considerably as to methods to be employed to attain these ends. Messrs. Bassett and Williams recommend the further development of existing laws and defend many present day practices; Mr. Bettman and Mr. Whitten advocate



more extensive and versatile uses of existing laws to give greater power to planning commissions and administrative groups.

The Bassett-Williams team, taking existing laws as their model, propose such changes in them as would provide for a distinct differentiation between the master plan and the official map, making the former merely a guide and the latter the control; a more equitable method of treating landowners in protecting mapped streets; a more workable method for the establishment of park areas in new subdivisions. In several other matters these authors adopt a conservative attitude. One is their recognition of the home rule philosophy in county and state planning. Another is their stout defense of the zoning board of appeals and statutory certiorari.

Mr. Bettman and Mr. Whitten, on the other hand, viewing planning and zoning as part of the same procedure, would make one form of legislation apply to both. The many and varied forms which they present contain provisions which put the control of both planning and zoning in the hands of the planning commission, an advisory body. Thus the master plan developed by the planning commission is given a legal status and, with the cooperation of the legislative and administrative body, evolves into the official map.

Also, they take cognizance, in presenting their forms for county and regional planning and zoning, of two important and modern phases. One is the necessity for better cooperation between local and regional units, and the second, the economic importance of land classification and population density in rural zoning. Among other departures are Mr. Bettman's criticism of the vagueness of the "hardship" clause under which the zoning board of appeals functions; his omission of a provision for statutory certiorari; Mr. Whitten's proposals for the extension of control to highways, neighborhood units and the unspoiled countryside.

The book is set up in legible type and with an interesting format. The legislative forms which cover planning and zoning in city, county, region, and state, will be found to be of great utility under many conditions and for various states of mind. The discussions, as has been indicated above, are keenly analytical, stimulating, and constructive.

New York City

FRANK T. MARTOCCHI

**A Guide to Modern Politics.** By G. D. H. and Margaret Cole. New York. Alfred A. Knopf, 1934. 454 pp. \$3.00.

Once again from the pens of the talented Mr. and Mrs. Cole comes a volume which, though prepared by specialists, is intended for the general reader. Feeling that the field of politics is becoming ever larger and more insistent, that the "positive effects and the positive demands of the political system upon the individual have also enormously increased," that the inadequacy of our political and social institutions is becoming increasingly evident to more and more people, and that "reformation can only be possible or effective if it is based upon an adequate comprehension of the end which has to be aimed at, . . . the forces and traditions from and through which the necessary changes may be produced . . . and the technique of political coöperation," this volume, as its name indicates, is offered as a guide.

Covering ably and lucidly a tremendous field, the work touches upon the foundations of and the cross currents within present day politics, goes on to describe the various contemporary political systems, discusses and compares parliamentary and dictatorial types of organization with due attention to the places of parties, political leaders, and functional groups, defines the state and discusses its internal and external relationships, reviews a few basic political principles, and concludes with a consideration of the future. As the authors suggest, this book is intended to be a realistic study of political dynamics, not a political encyclopedia. Taken as such, it must be conceded to be both successful and fortuitous, and could well be made required reading for every citizen.

While it might be suggested that the section dealing with political principles is subject to certain justifiable criticism in that, for example, order and liberty are treated too much as mutually antagonistic, or that in considering the future too little attempt is made to do more than pose the problem for democracy, the fact remains that the presentation carries a great deal of valuable information, trenchant comment, and provocative suggestion.

That far too little political thinking has been done by the average American citizen is indisputable. And that the "positive effects and the positive demands of the political system



upon the individual" not only have enormously increased but will continue to do so is equally clear. Furthermore, with political issues no longer remaining on a superficial level but impinging, at least, upon matters that go deep into human and social relationships, more fundamental problems are being dragged into the political arena. Thus it becomes increasingly imperative that if orderly transitions are to be made, political understanding and intelligence must be cultivated. To aid in this cultivation, "A Guide to Modern Politics" is admirably suited. In other words, the authors have accomplished their purpose.

FRED A. SCHUCKMAN

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**Report of the Connecticut Temporary Commission to Study the Tax Laws of the State and to Make Recommendations Concerning Their Revision.** Fred R. Fairchild, Chairman. Hartford, State of Connecticut, 1934. 642 pp. **Summary of Report above, 1934, 99 pp. The System of Taxation in Maine.** By Harley L. Lutz. (Report to Governor Louis J. Brann and the Executive Council by the Recess Commission on Taxation.) Augusta, State of Maine, 1934. 122 pp.

The reports of specially appointed official tax commissions constitute one of our best sources of information concerning existing tax conditions and methods of improving the tax structure of the various states. Two new reports of this type have appeared recently. Dr. Harley L. Lutz of Princeton University has prepared a report on "The System of Taxation in Maine" for the Recess Commission on Taxation. Professor Fred R. Fairchild is chairman of the Connecticut Temporary Commission to Study the Tax Laws of the State and to Make Recommendations Concerning Their Revision, which has also recently submitted its report. There are many points of similarity in the tax structures of the two states and in the official recommendations made for their improvement. The credit standing of each is excellent. Both are conservative New England states clinging tenaciously to a tax structure which is largely outmoded. Maine continues to rely heavily upon the regressive general property tax for state funds. Both still have the regressive poll tax. Assessment is inefficient and inequitable in both states. The

collection methods are poor. There is general evasion of the tax on intangible property. Little progress has been made in working out a satisfactory system of state aid. Many incongruities exist in the system of business taxes. Neither state has a personal income tax. In enumerating the defects of the Maine and Connecticut systems, it should be borne in mind, however, that these states are by no means unique in these respects and that similar or harsher things could be said of many other commonwealths.

It is surprising, however, that in view of the badly skewed existing system, the Connecticut commission should recommend the adoption of a 2 per cent sales tax and a flat 5 per cent tax on income from intangibles, with a \$2.00 exemption, and should not recommend a graduated personal income tax which would serve to correct somewhat the present regressive system.

Certain other features of the Connecticut report appear also to be somewhat at variance with the views of some other students of taxation. For example, the statement is made that: "Efficient and economical administration of governmental affairs is not to be expected unless there is joined with the authority to determine activities and expenditures the clear responsibility for providing the funds to finance these activities. In governmental no less than in private affairs it is impossible to secure responsibility for efficient administration if one agency is permitted to spend money without having to provide it and another agency is required to provide the money without having the power to determine the amount or its use." An entirely different slant on the subject of state aid is to be found in the recent report of the New York Commission for the Revision of the Tax Laws (1935).

Both reports are particularly valuable for their discussion of the property tax. The Maine report has a helpful chapter on state tax administration and the Connecticut report some very valuable material on the financing of municipalities.

MABEL L. WALKER

Tax Policy League

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**A Directory of Organizations in the Field of Public Administration.** Prepared by the Public Administration Clearing House.



Chicago, Public Administration Service, 1934. 192 pp. \$1.00.

Some 1,900 organizations working in the general field of public administration or impinging upon it have been listed in this directory, which supplants the first edition of the same title issued in 1932. The general plan of the first edition is followed. Four categories are used to list the entries as "national organizations," "state organizations," "regional organizations," and "Canadian organizations," and a valuable index of national organizations classified by fields of activity is included. No attempt is made to list local organizations.

Title, address, name of chief executive officer, and data on membership, finances, activities, affiliations, and publications are given for each organization. The directory is an indispensable handbook for those working in the field.

W. S. S.

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#### **Public Finance, Selected Readings.**

Edited and annotated by Elmer D. Fagan and C. Ward Macy. New York, Longmans, Green and Co., 1934. 954 pp. \$4.75.

Professors Fagan and Macy, appreciating that no two individuals can produce a complete book on public finance as "extensive and penetrating" as one which utilizes the writings of many authorities in the field, present their textbook in the form of readings. Subject matter has been carefully selected to emphasize economic principles in their relation to public finance. Material from such sources as T. S. Adams, R. G. Blakey, R. F. Ely, H. M. Groves, J. P. Jensen, S. Leland, H. L. Lutz, E. R. A. Seligman, C. S. Shoup, H. Simpson, P. Studenski, J. Viner, and The National Tax Association is quoted. The authors themselves make some useful contributions in addition to the comment and annotation which provides continuity for the entire book.

The volume is divided into four parts—public expenditures, public revenues, public credit and financial administration. The section on revenues is particularly thorough. All four parts, and the introduction, provide interesting reading on important phases of public finance.

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**The Problem of Noise.** By F. C. Bartlett. Cambridge, The University Press and New

York, The Macmillan Company, 1934. 87 pp. \$1.25.

This little volume presents—in unusually attractive format—two lectures delivered before the National Institute of Industrial Psychology at London by Professor Bartlett of the Cambridge Experimental Psychology faculty. Defining noise as any sound which becomes a nuisance, the author describes the recent experiments seeking to ascertain the effects of noise. He cannot, from his dispassionate, scientific point of view, acknowledge noise to be as serious a menace as many laymen have come to consider it, since most normal people adapt themselves fairly readily to a general background of sound. He agrees that noise should be eliminated as far as possible, and holds to the opinion that public regulation will be less effective than continued education among those who are responsible for the noise.

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#### **Space Requirements for the Children's Playground.**

By George D. Butler. New York City, National Recreation Association, 1934. 24 pp. Forty cents.

This is a practical discussion of the actual space standards for various types of children's playgrounds, with a consideration of the special facilities usually utilized. The bulletin goes far in answering the demands of city and regional planners, health authorities, educators and welfare workers "for dependable information on the amount, location, and character of the space that should be dedicated to recreation" for children.

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**Use of Private Cars by City Employees on City Business: Rates Paid.** Chicago, American Municipal Association, 1934. 3 pp. mimeo. Twenty-five cents.

In answer to the question implied by the title, thirty-five cities reported no compensation for city employees using their own cars in city business, most of them reporting the use of city-owned vehicles only. Fifty reported such compensation—at \$5 to \$90 per month, 3 to 8 cents a mile, or merely a gas and oil allowance. Some cities have special and more complicated provisions for paying for the use of their employees' private automobiles.